It's deliberate.

A premium national brand with a one team approach.

Our commitment to delivering a premium experience means the Knights' brand has become synonymous with the provision of consistently high-quality services across the UK regions. Free of structural and cultural constraints, all our professionals work together in collaboration to bring their collective skills and expertise to all our regional markets.

This distinctive model and approach bring a unique proposition for both clients and professionals, which means we can attract the leading talent and businesses in the UK regions.

Our continued success and growth are underpinned by our teams working closely together and being connected across the whole business. Our Client Services Directors and Business Services Directors bring a unique combination of strong, invested and highly engaged local and regional leadership working together as one national team with a shared vision and purpose.

Our business model continues to show resilience across the economic cycle, providing a strong platform for further geographical and organic growth, driven by our experienced leadership team.

Financial highlights

In a year of solid progress, the Group has continued to deliver good revenue growth, increased underlying profits and continued excellent cash conversion.

Revenue

£162.0m

+8% (2024: £150.0m)

Underlying EBITDA*

£42.9m

+11% (2024: £38.7m)

Underlying PBT*

£28.0m

+11% (2024: £25.3m)

Reported PBT

£12.3m

(2024: £14.8m)

Post tax profit

£7.6m

(2024: £9.8m)

Net debt*

£64.8m

(2024: £35.2m)

Underlying basic EPS*

23.95p

(2024: 21.81p)

Reported EPS

8.83p

(2024: 11.47p)

Cash conversion*

130%

(2024: 131%)

Dividend per share

4.81p

(2024: 4.40p)

Note

* The Group reports certain Alternative Performance Measures ('APMs') as management believe these measures provide valuable additional information for the understanding of the underlying trading performance of the business. In particular, underlying profit measures are used to provide the users of the accounts with a clear understanding of the underlying profitability and cash generation of the business over time.

Full definitions and explanations of these measures and reconciliations to the most directly referenceable IFRS line item are provided on pages 143 – 146.

Building on consistent growth and investment in its operational infrastructure, Knights is now established as a leading UK regional provider of legal and professional services.

Regional office locations

30

Where we are

At the end of the reporting period, we operated from 30 regional locations, each having an established client base and strong local market knowledge and connections.

Who we are

We are a unique business built on culture and the early adoption of a corporate structure in 2012 following de-regulation of the legal sector, enabling Knights to become one of the largest regional collaborative legal and professional services providers in the UK.

We work together seamlessly as one team, through a commitment to not having individual or location-based financial targets, together with centralised management and dedicated local leadership.

What we do

Offering an unrivalled breadth of services locally, we serve the regional UK market where there is a strong underlying demand for a broad range of legal and other professional services.

We retain deep local relationships by being close to our clients and providing premium service focusing on speed, access, communication and quality.

Who we work with

We work with businesses and private individuals seeking a premium service experience.

We have a diverse local and regional client base who value our strong local and regional market knowledge and connections.

We have national clients across a wide range of sectors who value our diverse specialised capabilities and agile delivery from a regional cost base.

Number of professionals

1,268

head count as at 30 April 2025

Corporate platform enabling an efficient commercial model…

Collaborative culture with **consistent commercial principles** across offices

Partner bureaucracy removed; focus on outstanding service & relationships

Differentiated from a partnership model which is focused on fees over profit and cash collection

…supported by a differentiated remuneration structure…

Partners **not exposed to the financial ownership risks** of partnership structures

Competitive remuneration at or above market levels

No fee targets removes unproductive pressure and **fosters a collegiate, client focused culture**

…driving sector leading outcomes

Scalable structure

30

Locations

3.8:1

Fee earner: support staff ratio*

1,267

Average full time equivalent employees

Financial discipline

86

Lock up days*

Knights model enables outstanding results

01

Commercial structure; excellent culture

Which attracts & retains

02

Talented people

Which engages

03

High quality client base

Which delivers

04

Outstanding results

* See Glossary on pages 143 – 146.

A leading provider of diversified legal and professional services with national scale and a premium brand.

Increasingly unique in the sector, Knights brings an unrivalled breadth of consistently high-quality services to the under-served regional markets.

01
Diversified capabilities and expertise

02
Strong client base

03
Local dominance and low risk model

04
Enhanced scale and reputation

05
Strong platform for organic growth and future acquisitions

06
Delivering profitable, cash generative growth

Underlying profit before tax*

£28.0m

Profitable growth
(2024: £25.3m)

Fee earner: Non-fee earner ratio

3.8:1

Robust platform for growth
(2024: 3.6:1)

Working capital lockup days*

86 days

Highly cash generative
(2024: 78 days)

A mature corporatised platform enabling an efficient commercial model

We focus on regional markets throughout the UK where we can become the leading business in our sector. Our increased scale and brand awareness continues to build our reputation across the UK regions, attracting clients who seek the best service experience and professionals seeking the best regional platform from which to deliver those services.

Having no personal and team targets removes unproductive pressure and fosters a collegiate, client focused culture, meaning all clients in all locations always have the benefit of our combined expertise.

Operating from regional locations with lower competition reduces cost pressure, resulting in greater value for clients and a healthier work-life balance with reduced commuting time for our colleagues.

Our established leadership team provides engaged and present local leadership while maintaining and promoting consistency of approach with a strong one-team culture.

Our fee earner to non-fee earner ratio is above market average because of our investment in systems and centralised operating model.

Professional advisors with a commercial mindset

Industry-leading working capital management – facilitated by a focus on financial management, supported by technology, actionable analytics and Client Services Directors who provide a continued focus on revenue generation and cashflow.

Practitioners focus on client service while experienced managers run the business – our professionals focus on delivering services and generating revenue without the distractions of running the business, which is executed by an experienced, agile and established leadership team.

Strong client relationships and limited sector and fee earner concentration brings diversity and resilience to our revenue base.

A scalable model

We continue to strengthen our position in a fragmented regional UK market worth c.£3.8bn, building on a strong platform to grow organically, complemented by carefully selected strategic acquisitions.

A proven, mature and compelling platform for professionals attracted by the freedom from the constraints and ownership risk associated with partnership structures, together with security and unrestricted career development opportunities.

Culture, market and ever-increasing geographical coverage drives recruitment of talented professionals attracted by the opportunity to be equipped and empowered to target and secure high quality regional work.

Track record of unlocking value from acquisitions. Supported by our experienced integration team, acquired businesses are fully integrated into our business and our systems and processes, generally within three months and are fully culturally integrated within 12 months of acquisition.

Investment in our centralised operational backbone, including our systems and technology platforms, provides an optimised and scalable platform for future growth, with fixed costs diluted as we grow.

This year we have entered new markets through our acquisitions in the West Midlands and the Thames Valley, building on our existing platform for organic growth and recruitment.

* See Glossary on pages 143 – 146.

Dave Wilson
Non-Executive Chairman

Underlying profit before tax*

£28.0m

‘The Board is pleased with the Group’s performance during the year and the strategic progress made to support our strategy of continuing profitable growth.’

* See Glossary on pages 143 – 146.

Revenue

£162m

I am pleased to present Knights' results for FY25.

During my time as Chair, I have witnessed first-hand the key elements that differentiate us from our traditional peers. There is a distinctive collaborative culture, facilitated by the Group's corporate model, and thanks to concerted efforts within the business, an embedded 'one team' mindset. As a result, Knights has been able to attract high quality talent, through both recruitment and acquisitions, enabling it to become one of the leading national legal and professional services providers, operating throughout the UK regions and delivering comprehensive, premium solutions to clients, locally.

These strengths, combined with the tireless dedication of our talented professionals and executive management team, have driven a good performance with strong profit growth, despite an uncertain macroeconomic environment. The Group achieved an 11% increase in underlying profit before tax ("UPBT") to £28 million, reflecting improved margins on revenue of £162.0 million, an 8% increase from FY24.

On behalf of the Board, I would like to express our gratitude to our dedicated colleagues, for their efforts in achieving this success, and to our clients and shareholders for their continued support.

A strategy that continues to deliver

Our strategy has driven remarkable growth since our IPO, with the management team and business support teams continuing to execute it well throughout the year. The Group continued to build its platform through acquisitions which, combined with driving operational efficiency, and recruiting top talent, positions us favourably for organic growth and operational leverage in the coming year.

High quality talent continues to be attracted to Knights' friendly and supportive culture, with an increasing number of professionals joining the business during the year.

We added significant scale through two high quality acquisitions during the year, which brought a total 247 fee earners to the Group and further expanded our range of services. In the first half, we acquired Thursfields Legal Limited (Thursfields), enhancing our Midlands presence. In the second half, we significantly expanded our South East presence by acquiring IBB Law LLP. Post period end we have acquired Birkett Long LLP, extending our legal and wealth advisory services and Rix & Kay LLP, strengthening our Kent and Sussex footprint. We have also acquired Le Gros Solicitors Limited adding a team of 6 professionals to build on our recent partner appointments in Cardiff.

As part of Knights, these acquisitions benefit from our well-developed infrastructure from day one, and will provide strong platforms for ongoing recruitment and growth. On behalf of the Board, I would like to welcome all our new colleagues that have joined Knights during the year and to thank all at Knights for the hard work that has resulted in such seamless integration of all our acquisitions.

We are well-positioned financially to continue our growth strategy, through hiring talented individuals, opening new offices, and selectively pursuing value enhancing acquisitions.

Dividend policy

The Group's dividend policy, to distribute 20% of underlying profit after tax, balances profit retention to support our long-term growth strategy with shareholder returns as our growth strategy continues to yield positive results. The Board proposes a final dividend of 3.05p, which, along with the interim dividend of 1.76p per share, totals a 4.81p dividend for the year, a 9.3% increase from FY24's 4.40p. The dividend is scheduled for payment on 7 November 2025 to shareholders recorded on 10 October 2025, pending shareholder approval at the Group's AGM.

Summary

The Board is pleased with the Group's performance and the step changes made during the year – with significant strategic progress, operational discipline and a strengthened and well-embedded leadership team in place – all enhancing the platform for future growth. We, therefore, continue our focus on driving further profitable growth, as we benefit from ongoing recruitment momentum, acquisition opportunities and client wins, and as we continue to expand across the UK.

Dave Wilson

Dave Wilson
Non-Executive Chairman

12 September 2025

Revenue growth

8%

FY24: 13%

Debtor days *

31

FY24: 28

David Beech
Chief Executive Officer

'The Group has delivered a strong performance in the year with good momentum in recruitment and employee retention positioning the Group well to deliver our continuing growth strategy.'

* See Glossary on pages 143 – 146.

Client NPS

+47

Our proven strategy has continued to deliver, as demonstrated by the Group reporting an excellent profit performance and enhanced margins, despite a macroeconomic backdrop that remains challenging. We have strong momentum in recruitment which, coupled with significantly increased retention in the second half of the year, will drive future growth, and we have continued to execute our value-accretive acquisition strategy, including making our largest acquisition to date in the second half of the year.

Knights is one of the largest legal services businesses outside London and is now benefitting from growing recognition of our national brand – with professionals, sellers of law firms, and clients attracted to our differentiated proposition which combines a national scale provider of a broad range of premium services with a local presence and relationships.

We built on our progress in the first half, with positive momentum in the latter part of the year. We continued to scale and expand our national footprint through selective acquisitions, enhancing our presence in key growth markets, in the West Midlands, and we significantly strengthened our footprint in the attractive South East market. All acquisitions during the period, and prior year acquisitions, are integrating well and performing as anticipated.

Knights' strong reputation, increasing scale, and differentiated corporate model and collaborative culture, continue to attract new, and support the retention of, high quality talent across the business. We recruited 28% more senior fee earners in the year, compared to prior year, with all new recruits, including those that join via acquisition, now undertaking their inductions at our refurbished Stoke office, the central hub of our business. This is supporting seamless integration into the business and embedding the core aspects of our unique, collaborative culture and model from day one.

Our internal measure of churn* reduced significantly, to just 10% in the second half of the year, which we believe to be significantly lower than the industry average. The maturity and settled nature of our business is reflected in the achievement post year end of an employee NPS score of +59.

Clients continue to be attracted to Knights' increasingly diverse services offering, with several key wins and clients being able to benefit from our increasing range of services, which is testament to our relentless dedication to high quality client service. Optimising costs and operational excellence also remain a key focus and have supported our strong profit performance.

A strong performance, marking an inflection point

Knights delivered another consecutive year of double-digit profit growth, and continued to scale the business at pace, despite the effect of ongoing macroeconomic uncertainty on business confidence.

Total revenue for the year was £162.0m, an 8% increase compared with the previous year (FY24: £150.0m), driven primarily by acquisitions. We maintained organic revenues across our balanced portfolio and service lines and locations. While growth from recruitment was held back by a period of higher churn coming into the first half of the financial year, the reduction in churn during the second half means the business is now well-positioned for increased organic revenue growth.

Pricing discipline – with sustained and consistent annual rate increases – combined with driving efficiencies and cost optimisation across the Group, remain key priorities and drivers of our strong profit performance.

We have also realised synergies from the effective integration of acquired businesses, building on our strong track record of generating value from acquisitions.

Our debtor days remain industry-leading, at 31 as at 30 April 2025 (30 April 2024: 28), reflecting our commitment to disciplined working capital management.

This financial discipline, alongside strategic recruitment, and driving new business and stronger client relationships are cultivated across the business by our Client Services Directors ("CSDs") in their respective regions, and we recently appointed a Group Client Service Director to oversee and support the regional CSDs. With most of this team now having been in place for a number of years, the business now benefits from their greater experience in managing the business and leading a high-performance culture.

Growing from a strong foundation

Knights' model, pioneering when established 13 years ago, is now increasingly emulated across the professional services sector. For us, it continues to be a differentiator and key to attracting talent. It remains a compelling alternative to the traditional partnership model, which increasingly faces structural challenges and is no longer attractive to a new generation of talent unwilling to make a financial commitment to the firm and wishing to work in a supportive, high calibre firm with a strong platform built around broad-based services and a mature, centralised operational infrastructure.

This has helped us bring 51 new senior fee earners into the Group during the year (FY24: 40), attracted not only by our modern, corporatised model, but also Knights' excellent reputation, scale, and strong culture which prioritises collaboration, excellence and a clear commercial mindset.

Our increased coverage nationwide means we can now also access a wider pool of talent and is enabling us to selectively explore opportunities to open offices organically, adjacent to regions where we are already strong. For instance, we are currently establishing a presence in Cardiff, where we have already employed ten partners, aided by the city's proximity to our offices in Bristol and Cheltenham. This expansion will accelerate further as we open an office in the city in September 2025. Our ability to grow in this way is testament to the heightened awareness and reputation of Knights across the UK and we expect to open further such offices in the future.

Importantly, the initiatives we have driven through the business to increase mentoring from our Client Services Directors, face to face time in the offices, and regular forums for Partners and Senior Associates to come together in our Stoke office is supporting a stronger team culture and better understanding of the breadth of our services and our business strategy. We are pleased that this has resulted in a substantial step down in churn in the second half of the year to 10% (15% across the full year), a level we expect to become more normalised as we continue to engage with the team in this way. Bringing our most experienced people together is also supporting greater cross-collaboration, with colleagues increasingly forming teams across different offices to deliver the best possible solutions to clients.

We continue to embrace technology, and are monitoring rapid advances in areas such as AI closely. Post year end, we have recruited a Chief Information and Technology Officer, John Earl, who has over 23 years' experience working with global organisations, to further optimise our data and technology use. Building on our years of experience in developing solutions built on automation, systemisation and workflows, where we remain a sector leader, we are now exploring and deploying a number of AI-enabled tools and are exploring further AI tools and platforms for other commercial uses, remaining mindful of sensitivities, including security, and taking a measured approach to ensure we remain at the forefront of developments without compromising our robust systems, whilst selecting the most appropriate technologies.

Executing our value-accretive acquisition strategy

The regional legal services market remains highly fragmented, with numerous opportunities for consolidation. In line with our strategy to bolster future organic growth through selective, value-accretive acquisitions, during the year we acquired two high-quality law firms. As well as aligning culturally with the Group and adding to existing service lines across the business, these acquisitions allowed us to expand in growth areas such as Private Wealth and explore adjacencies such as wealth advisory services. As part of Knights, acquired firms can accelerate growth by broadening their offering to clients and leveraging the strength of Knights' well-invested central infrastructure, which is increasingly valuable given the more onerous regulatory, technology and cost burdens facing independent firms.

In the first half, we acquired Thursfields, a premium, full service legal services business with offices across the West Midlands, and a national client base which now benefits from access to Knights' broad range of services and established platform.

Thursfields has offices in Worcester, Solihull and Birmingham, and a strong Private Wealth offering, spanning Private Client, Family and Residential Property, alongside Corporate, Real Estate and Dispute Resolution. The acquisition has cemented Knights' position as a leading legal and professional services business in the Midlands and added 86 fee earners to the Group.

Number of senior recruits

+51

Building scale in the attractive South East market

In the second half, the Group scaled up significantly in the areas immediately surrounding London.

We acquired IBB Law LLP, a premium service law firm based in the South East, with locations in Uxbridge, Beaconsfield, Reading and Ascot, providing proximity to areas of inward investment and major corporate clusters. The acquisition, Knight's largest to date, complements Knights' existing offices in Oxford and Weybridge, enhancing our presence in the region and adding 161 fee earners.

All acquisitions acquired during the year have integrated well and are performing to plan.

Post period end we have also acquired Birkett Long LLP, a premium service regional law firm and independent financial advisory business based in three locations across Essex, in Colchester, Chelmsford and Basildon. With a leading position in the region, the acquisition brought a team of 98 fee earners to Knights, with an equal split between service lines for business and private clients. Birkett Long IFA LLP, a separate legal entity, which has been established for 30 years, brought a team of 13. Together, they provide the unique ability to offer both legal and wealth advisory services under one roof and have provided an entry point into financial advisory for the Group, which we have long considered a complementary service line and growth opportunity.

We have also acquired Rix & Kay LLP, a firm with a strong reputation across Kent and Sussex, building on recent expansion in Essex and the Thames Valley. The business has particular strength in Corporate, Commercial Property, Disputes and Private Client work. The 27 fee earners joining via the acquisition will relocate to existing Knights offices in Brighton and Kings Hill.

In August 2025 we acquired Le Gros Solicitors Limited, adding a team of six professionals to our recent partner appointments in Cardiff.

We continue to assess a solid pipeline of opportunities across a growing number of legal and professional services firms seeking integration into a large, well-established group.

In November 2024 we extended our existing revolving credit facility to provide total committed funding of £100m until November 2027. With these extended facilities, the Group is in a strong financial position with sufficient headroom and flexibility to enable us to continue to execute our growth strategy.

Current trading and outlook

Trading in the early part of the current year has been in line with our expectations. We are seeing the benefits of our maturity and growth to date, with increased levels of recruitment alongside reduced churn positioning us well to deliver future growth.

We are also well positioned to seize the opportunities presented by structural trends in our industry. Knights is reaching an inflection point in terms of scale, the breadth of our service offer and operational excellence. An increasing number of people are joining our teams, and we are consistently adding high quality acquisitions to the Group, which expand our opportunities for organic growth. We have financial headroom to build on our strong acquisition track record and have an encouraging pipeline of active opportunities under review.

As such we expect FY26 trading to be supported by the momentum we have seen building through the year, particularly the improvement in churn during the second half. We have a strong team of Client Services Directors, who are playing an increasingly vital role in both people, and client acquisition, as well as continuing to embed strong operational discipline. We are, therefore, confident in further growth through the year and in the medium-term, complemented by our value-accretive acquisition strategy.

David Beech
Chief Executive Officer

12 September 2025

* See Glossary on pages 143 – 146.

Consolidation is beginning to accelerate within the fragmented regional market.

With our experience and track record of 28 law firm acquisitions over 13 years, we are well-placed to capitalise on the increasing consolidation in the sector.

Our competitive advantage

01 Unrivalled breadth of locally accessible specialisms

- Underserved locations with strong underlying demand for a broad suite of professional services
- Retaining deep local relationships with proximity to clients

02 Premium quality with a deep talent pool available at a lower cost

- Premium service built on speed, access and communication
- Diverse, specialised capabilities with a regional cost base
- Brand strength underpins ability to attract leading talent

03 Benefits of scale and a nationally recognised brand

- National scale attracts high quality work, enhancing employee experience and retention
- Efficient central functions enable significant and rapid cost reduction from acquired partnerships with enhanced service quality and breadth

Large and fragmented addressable market

Opportunity to consolidate and professionalise a fragmented market

Ongoing active discussions with potential targets

The UK legal services market, while continuing to show resilience, is starting to see increasing pressures in a challenging and ever-evolving operating environment.

Addressable regional legal market

c.£3.8bn

Firms operating regionally with revenues of £2m–£75m

c.200

The sector continues to face challenges over working habits, higher operating costs, increased regulation, changes in buying patterns, and access to funding. In the regions, lack of appetite for succession within partnerships and rapid advances in technology are bringing additional uncertainty for law firms.

The regional market remains highly fragmented

The UK legal services market is becoming increasingly diverse with large law firms, operating predominantly from London and internationally, at one end of the spectrum and high street and medium-sized independent firms at the other. Many are still operating under a traditional partnership or quasi-partnership structure, restricting their ability to be nimble and adapt quickly to change.

The evolution of the sector continues to accelerate, with more law firms likely to become stressed, or experience challenges in securing succession for retiring partners, turning to consolidation out of necessity rather than choice – compounding this polarisation and providing new opportunities to agile responders. Regional firms expect significant consolidation in the UK legal services market within the next five years. We are well-positioned to thrive because of this evolution, responding to challenges with rapid decision-making through our well-established corporate structure.

This agility underpins our growth ambitions enabling us to invest and grow at speed. In our addressable market for potential acquisitions, there are c.200 firms operating regionally with annual revenues of £2m-£75m and total aggregate revenues of c.£3.8bn.

Increasing and changing demand

Key drivers of change are national and international business environments, the way in which legal services are procured and delivered, and the continued development of technology and delivery systems, placing increased pressure on existing providers and new businesses entering the market.

In contrast, our model, size and capability mean we see a changing market as an opportunity, with the consolidation in the sector driving more acquisition opportunities, faster recruitment and expansion into more service lines. We also have the financial resources to invest in our technology and new delivery platforms, including our in-house IT and technology development capability.

Continuing our acquisition strategy, we acquired two independent law firms during the last 12 months taking us into seven new locations. Their successful integration has continued our ongoing penetration of the regional market in the UK. Post year end we have moved into another 3 locations in Essex through one acquisition and have added 27 new colleagues into our existing offices in Brighton and Kings Hill through another acquisition. We have also moved into Cardiff through both recruitment and the acquisition of a team of 6 colleagues.

Inputs >

Clients

Seeking a premium service and experience for optimum value

Professional advisors

Seeking career progression in a collaborative, ambitious but low risk environment

Owners of law firms

An opportunity to either secure or take their business to another level within a strong national platform

Key strengths

Growth

A platform for organic growth

- Enlarged, mature and strong platform for organic growth through the hiring of new colleagues and winning new clients.
- Increasing breadth of services and a collaborative culture allows for the delivery of more services to clients.
- Focus on providing premium services with strong financial discipline leading to more profitable work.

Acquisition track record

- Experienced and dedicated team identifying and acquiring businesses.
- Unlocking value from synergies quickly and creating new value from enhanced opportunity sustainably.
- Operational experts in integrating businesses.

Corporate structure

- Established senior management team, with broad experience within and beyond the legal sector.
- Leadership team dedicated to running the business, freeing professionals to focus solely on clients.
- Corporatised platform enabling an efficient and disciplined commercial model with proactive and rapid decision-making.

Efficient and scalable platform

- Single primary IT platform driving efficiency, speed of service, and facilitating business-wide collaboration.
- Work quickly directed to the right expert or experience level, maximising value for clients.
- Teams rapidly assembled to deliver on short lead times, complex matters or high-volume client needs.

Cultural

An empowering culture

- Where our people can thrive in our collaborative environment without constraints and personal targets.
- One national collaborative team, optimising resources to create the best value and outcomes for our clients.
- Where professionals are empowered to adopt an entrepreneurial, commercial mindset.

Trusted advisors to clients

- Investing time in understanding their requirements.
- Delivering premium service with speed, accessibility, and responsiveness at its core.
- Long-term partner to clients seeking a high-quality service and respecting those who deliver it.

Financial

Cash and capital

- Highly cash generative, supporting investment in people, technology, infrastructure, and expansion.
- Profitable business with a low-cost base, strong balance sheet and industry-leading working capital management.
- Supportive banking partners and facilities of £100m available with £30m unused at the year end.

Underpinned by our vision of creating the leading regional legal and professional services business, our unique business model enables us to build value by executing our strategy across four pillars:

Grow organically

Creating value ›

Delivering value for clients

We are focused on meeting clients' needs with a commercial mindset, strong local market knowledge and high levels of expertise.

As trusted advisors we spend more time with clients ensuring accessibility and quick delivery.

Our national platform and regional focus is structured to deliver best value with high levels of service, underpinned by our 'one team' approach and competitive regional cost base.

Accelerating career ambitions

Our new model is attractive to energetic, commercially-minded professionals with a merit-based approach to reward and progression.

Our rapid growth, broad expertise and a collaborative culture provides a platform for people to grow and thrive in a supportive environment with opportunity to work across local, regional, national and international markets.

We enable people to play to their strengths, with partners focused on delivering services to clients without the risk and distraction of running a business.

Unlocking value from acquisitions

We make strategic acquisitions, selecting businesses with a strong cultural fit, and people who share our vision.

We quickly unlock value from synergies, our highly developed platform and the adoption of our business principles and working practices.

Our growth is accelerated by bringing scale, enhanced operational infrastructure and expertise, enabling the delivery of more services to clients and winning new business.

Outputs ›

Clients

+47
Net Promoter Score*

>439
Clients generating fees over £50k

Employees

85%
Retention*

51
Partner and Senior Associate hires

Shareholders

23.95p
Underlying basic earnings per share* (pence)

15.6%
3 year underlying profit CAGR*

Communities

4
Working hours a month per employee available to dedicate to their community

2%
Reduction in paper usage compared to last year

* See Glossary on pages 143 – 146.

Strategic acquisitions

Scale the operation

Exploit data and technology

Our vision

To redefine the legal and professional services sector in the UK regions.

Our strategy

To continue to build the leading premium, fully collaborative legal and professional services business across the UK regions.

Our priorities

Continue to increase the range of our specialist services.

Leverage the benefit of scale and increased brand recognition in the regions.

Drive organic growth by working with colleagues to unlock the opportunity from our mature regional platform.

Continue to attract high-quality professionals with client relationships from leading law firms.

Increase the number of professional services we provide to each of our clients.

Accelerate the growth of our client base and become established in key sectors.

Become the provider of choice for individual clients in all our regional locations.

Capitalise on the accelerating consolidation of the UK legal services sector by making selective, high-quality acquisitions.

Use our acquisition strategy and capability to enter new regional markets and accelerate growth in existing markets.

Realise targeted cost and revenue benefits, and then accelerate growth.

Continue to create increased efficiency and capability through investment in our operating platforms and our focus on continuous improvement.

Continue to invest in creating sufficient operational capacity to accommodate growth and sustain our agility.

Continue to accelerate the integration of new colleagues into the business through high levels of engagement and support.

Enhance our existing delivery platforms through system development and acquire complementary technology platforms.

Create greater economies of scale within our operational infrastructure.

Increase the use of actionable business intelligence to drive growth.

Enhance service to clients by accelerating speed of delivery and improving their efficiency.

Continue our investment in technology, process automation and workflows and the responsible adoption of AI-based applications.

What we did this year

30

Partner and Senior Associate promotions

7

New locations

247

New colleagues through acquisitions

3.8:1

Fee earner/ non-fee earner ratio*

34%

Increase in revenue from top 50 clients for FY24 (excluding one off Corporate, Integrar and CL Medilaw clients)

* See Glossary on pages 143 – 146.

Grow organically

A well-established platform for organic growth.

Overall, organic growth was flat during the year, delivered from a smaller organic fee earner base than in the previous reporting period. This was achieved by maintaining our long-term strategy of focusing on premium service delivery. The underlying drivers of organic growth remain healthy as we continue to focus on high-quality, profitable work, which provides a strong platform for increased future organic growth. Our reputation for being synonymous with providing a premium experience across more regional locations is gaining momentum. Recruitment of partners and senior associates, a key driver of organic growth, during the reporting period has been strong in the second half and this has continued into FY26.

We invested in our organic growth strategy this year by:

Leveraging our scale and national reputation

Our increased size, capabilities, and visibility continues to cement our reputation as a premium service provider for the UK regions, allowing us to attract exceptional talent and high-quality clients.

We continued to focus on generating high-quality, profitable work and revenues over less profitable work from the competitive low to middle market, building a robust platform for future organic growth as this strategy evolves and the business matures in the premium space.

Recruitment from leading law firms and highly regarded professional services firms continues to accelerate as partnership and equity-based models continue to become less attractive to the current generation of professionals.

Our lateral recruitment strategy centred on partners and senior associates with a strong client following or network continues to accelerate, with 51 joining during the period compared to 40 in the previous reporting period.

Our ever-increasing strength in depth and breadth of our capability, coupled with our unique collaborative culture with all our professionals working as one team means we are ideally placed to be the provider of choice for the clients we work with across local, regional, national and international markets.

This awareness and our capability has enabled us to recruit in the Cardiff market during the period, in preparation for the organic opening of a new office in the Welsh capital during FY26.

Extending our service offering to our clients

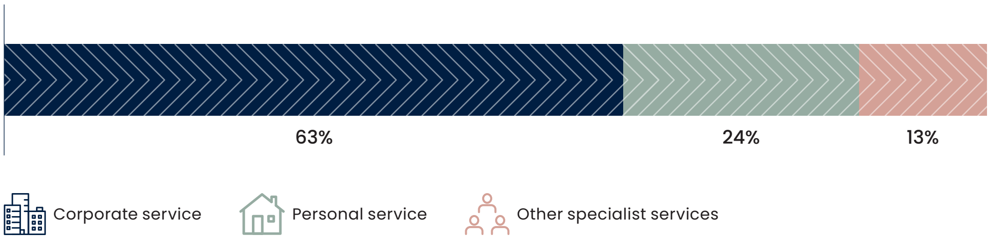
Our commitment to working together in our offices combined with the continued growth of our business into new regional locations drives opportunities from collaboration and further increases our breadth of services, making us well positioned to drive organic growth by delivering a greater share of our clients' needs. This growth is driven by both the confidence our clients have in the Knights brand, as well as a strong trust between colleagues to work together and facilitate introductions.

Expanding our range of services

Our combination of lawyers working alongside other professional advisors provides clients with complementary service offerings.

From acquisitions made during the year, we added significant additional expertise in intellectual property and franchising services. From an acquisition completed after the end of the period, we also now provide bespoke wealth advisory services, an area we have long considered a natural extension to our service offering.

FY25 *revenue split*



Diversified portfolio of services and specialisms

CORE SERVICES OFFERING

Real Estate

29%

Expert, multi-sector advice in a broad range of commercial matters including asset management, plot sales, property litigation, construction, development and town planning

Dispute Resolution

15%

Expert advice for a broad range of disputes including breach of contract, professional negligence, defamation and reputation management and intellectual property

Corporate & Commercial

13%

Full suite of corporate & commercial services provided to international, PLC and owner managed clients, including M&A, restructuring, corporate governance, public procurement, contracts, IP and data privacy

Employment

6%

Range of commercial employment advice and training including disputes, restructuring, redundancy, HR support, immigration, investigations and trade union matters

Private Wealth

16%

Full range of services advising private individuals and families including landed estates, trusts, tax, wills & succession planning and probate

Residential Property

8%

Premium, partner-led conveyancing services for buyers and sellers including new build, freehold and leasehold, with additional specialist construction, planning and agricultural teams

STRENGTHENED WITH OTHER SPECIALIST SERVICES

Integrar

3%

A market leader in the provision of remortgage services for lending institutions / intermediaries such as banks, building societies, mortgage brokers, estate agents and financial advisors

CL Medilaw

10%

Specialist medical negligence and serious injury solicitors advising individuals and families

High growth, non-cyclical service offering

Strategic acquisitions

In recent years, our acquisition strategy has been a key factor in helping us achieve critical mass and has enabled us quickly to establish the business across the UK.

Our increased size and expanded footprint have delivered a step change in the Group's reputation and visibility, expanding our client base and increasing our recruitment pool.

With a focus on full integration immediately rather than simply aggregating new businesses, Knights has now achieved maturity with an established platform and approach to delivering acquisitions. These acquisitions provide the platform for future organic growth.

The Knights M&A model:

- Led by a dedicated M&A Director
- Supported by the capability in-house to run transactions end to end
- An established process to identify, execute and integrate acquisitions in a fragmented market
- A clear plan from initial contact through acquisition and post-acquisition
- Day 1 integration all on a single operating platform
- With a proven track record of delivering synergies and unlocking embedded value

A highly differentiated proposition for sellers:

Progressive corporatised model

- Opportunity to exit outdated partnership model
- No exposure to financial ownership risk of partnerships
- Remove the burden of compliance for equity partners
- Allow partners to focus on clients and people

Accelerate growth & profitability

- National brand and scale to support new client acquisition
- Broad service portfolio to cross sell to existing clients
- Well invested group support functions and technology

Superior proposition for employees

- Succession planning and investment in the next generation
- Enhanced career progression, underpinning talent retention
- Premium brand supports regional talent acquisition

An acquisitions strategy focused on achieving full UK coverage in the medium term and now also acquiring into existing locations, leveraging our existing office space.

We acquired two regional law firms during the year

1. West Midlands

Acquired Thursfields, a leading independent law firm with offices in Worcester, Kidderminster, Solihull and Birmingham in September 2024

Birmingham team moved immediately into our existing Birmingham office – accelerating integration and leveraging office space

Brings full coverage and visibility in the West Midlands region

2. Thames Valley

Our largest acquisition to date, we acquired IBB Law in April 2025 giving us a presence Uxbridge, Reading, Beaconsfield and Ascot

Significantly increasing our scale and presence in the South East, a market with a significant concentration of businesses and personal wealth

Created an opportunity to relocate our existing Newbury team into Reading, accelerating integration, leveraging office space and bringing greater regional capability to the Newbury team

Strong platform for organic growth in FY25

We acquired three more regional law firms shortly after the year end

We acquired Birkett Long taking us into new locations in Colchester, Chelmsford and Basildon

We acquired Rix & Kay, building our presence in the South East bringing new colleagues into our existing locations in Kings Hill and Brighton

In August 2025 we acquired Le Gros Solicitors Limited, adding a team of six professionals to our recent partner appointments in Cardiff

Growth within a prior year acquisition

The acquisition of Baines Wilson in Carlisle in FY24 expanded our presence in the North West, giving access to a strong local market and a platform for strong future growth. Although we generally budget prudently for c.20% fee attrition, integration and financial performance have exceeded expectations, we saw no fee attrition post-acquisition:

- Revenues £3.4m (FY24) to £3.9m (FY25)
- Full time employees 22 (FY24) to 18 (FY25)
- Gross profit 55% (FY24) to 62% (FY25)

Scale the operation

To support our growth plans, we maintain a constant focus on:

1. Strengthening and developing our leadership within a one team culture.
2. Our team of experienced Client Services Directors working together and delivering against our growth strategy within their regions and nationally.
3. Investing in the operational infrastructure to support growth and underpin margin enhancement, led by our Business Services Directors.

'One team' in a partnership-led, siloed UK legal services sector

Leadership responsible for embedding culture and integration

Knights strategy

Client Services Directors ('CSDs')

Local offices

Client services team facilitates a top-down and bottom-up approach within Knights

The CSD role – driving growth and collaboration across the group

Culture carrier to demonstrate Knights behaviours in action

Financial management of gross margin and cash generation

Local decision maker to deliver **autonomy on the ground**

Integration of new recruits and acquisitions

Local key client contact

Recruitment

Business development and **growth**

Leading corporate culture

Employee churn rate*	Employee NPS*
c15%	+59

Impact

One strategy and vision

'One team' culture instilled effectively to incentivise collaboration at all levels

Commercial structure & processes

Clearly communicated processes to drive operating efficiencies and facilitate instant synergies post-acquisition

Collaborative environment for people to thrive

* See Glossary on pages 143 – 146.

Our unique, scalable operating model, with a well invested operational backbone

Centralised Business Services team to support group scalability

- Efficient, centralised approach to group corporate services
- Enables rapid scalability and immediate cost reduction following acquisitions

IT & technology

Compliance

HR

Office Services

Brand & Communications

Property

Learning & Development

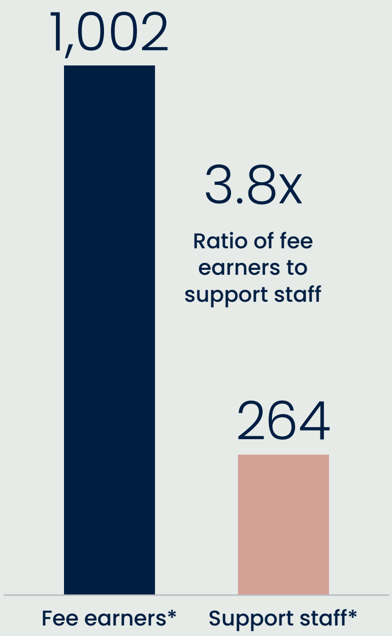
Records

Finance

Best-in-class offices designed for the future

- Best-in-class regional offices, embodying premium provider status
- Focus on collaborative, flexible working spaces

Sector leading fee earner: support staff ratio



Opportunity to continue to increase this ratio over the next 5 years, leveraging the operational investments made in the platform and increased technology usage.

* See Glossary on pages 143 – 146.

Exploit technology and data

Utilising technology to grow margin and differentiate our services.

We have created a robust, scalable platform able to integrate acquisitions in a matter of weeks. We maintain a constant focus on enhancing client service delivery by creating an experience both for our clients and colleagues based on speed and quality of service which differentiates us from our competition.

The use of technology across the business to support our premium services and to grow profitability is a core part of our strategy. Technology continues to enhance the way we operate, elevating efficiency, productivity, and client service.

Key components of our IT and technology strategy:

A single, scalable and robust platform

Our use of a single practice management software platform remains at the centre of our systems approach. Keeping client data in one system offers numerous benefits, including streamlining workflows, improved client experience, enhanced security, efficient collaboration, data analysis capabilities, and scalability. Our systems and operating environment allow for other complementary applications to work within or alongside our core platform.

Our use of technology continues to accelerate, and we are well positioned to build on the existing platforms and capability we have created. We will continue to invest in new and emerging technologies and systems to further drive business performance.

Investing in development capability

We have continued to invest in our internal IT development resources and capabilities to broaden our technology skill set which reduces reliance on third parties to deliver projects and continuous improvement initiatives.

Having development and programming capability in-house allows us to customise and develop our platform and resources quickly, enabling an agile approach to introducing change and improvement across our systems. We believe this strategy will enable us to sustain a competitive edge as we look towards new and emerging areas of innovation.

AI integration

As AI technology evolves, we operate a continuous programme of reviewing, testing and adopting AI based applications, aligning with market-leading providers and bespoke platform suppliers.

We are using various AI-enabled applications and exploring others based on arising commercial use cases.

Security

Continued focus has been given to ensuring we maintain the highest levels of data and IT security. We continue to work closely with our third-party IT security consultants on security focused initiatives including an ongoing programme of security testing and awareness.

Data

Using data and systems to manage and drive organic growth effectively.

Having all our client data and information in one central practice management system means we are easily able to generate key management information and reports from a single source.

Having an internal team of IT developers enables us to create bespoke reports quickly to support the business, deliver on key business KPIs such as time recording, invoicing, cash collection, productivity, and organic growth.

One robust platform

Technology strategy delivered in house

One client services platform used by all

Single shared database

Robust IT structure

Enables a plug and play approach for acquired businesses

Knights

Technology strategy centred on driving sustainable efficiencies across core systems, and future proofing the model through next generation tech and AI

Dedicated senior technology leader, focused on driving technological change throughout the group

IT and Technology team accountable for identifying, piloting, developing and implementing emerging technologies

Recent initiatives delivered by our internal team	**Benefit to Knights**
Development of Application Programming Interfaces (APIs), case management workflows and systems to integrate with a multi-party client portal	Full integration with mortgage provider client supporting a long-term exclusive partnership to deliver residential property services with high levels of automation to drive efficiency
Creation of bespoke applications for onboarding clients and opening files feeding into our core system	Time savings on administrative work so our team can focus on value add workstreams, increasing data integrity and elevating client experience using automating client identification checks
Creation of a broker portal for Integrar, our remortgage business	Time savings on administrative work by allowing brokers to track and view cases, upload documents and send messages against a specific case

Building a sustainable business that benefits all stakeholders.

Knights is committed to building a sustainable, future-proofed business. A business that allows its stakeholders to thrive, empowers its people and the communities we are part of, minimises its environmental impact and operates ethically with the highest levels of governance.

These goals, which are fully aligned with the United Nations' Sustainable Development Goals, a plan of action for people, planet and prosperity, underpin the Group's investment case and are central to its purpose of transforming the way professional services are delivered.

The Group is also informed by guidelines from independent agencies such as MSCI and aligns with external disclosure recommendations, including those set out by the London Stock Exchange. We are proud of the continued progress we have made across Environmental, Social and Governance reporting, having initiated a strategic programme in 2020 to underscore our commitment to making a positive impact.

01

Managing our business for the long-term

02

Caring for our people and communities

03

Looking after the environment

Our commitments and target.

Knights is a low impact, low carbon intensive business. We remain committed to improving what we do, including achieving net-zero in our own operations and across our entire value chain by 2050 or sooner.

Although our carbon usage has increased during the year, as a result of acquisitions adding 7 further offices to our portfolio, we remain committed to our social responsibilities both internally and externally and maintaining the high level of governance already established. We are currently setting science-based targets with the assistance of an external consultant.

We commit to:	By:	Progress during FY25:

1 Reduce our carbon footprint by:
• reducing our carbon emissions per employee by 10% in the short to medium term;
• achieve net-zero in our own operations (scope 1 and 2 emissions) by 2050 or sooner.
	Our property strategy is aligned with our commitment to energy efficiency, focusing on buildings that incorporate advanced energy-efficient HVAC systems & renewable energy sources. By selecting properties with these sustainable features, we aim to reduce energy consumption, lower our carbon emissions & create an environmentally responsible workplace.
	
	We are committed to reducing our carbon footprint by right sizing our estate, reducing under-utilised spaces & in-efficient buildings, lowering our environmental impact whilst providing a best-in-class environment for colleagues.
	
	We aim to minimise energy consumption by implementing energy-efficient lighting & HVAC systems via refurbishment of existing premises or relocation to new, energy efficient buildings.
	
	The following criteria are key to our property selection process;
	• Green certification BREEAM & LEED
	• Grade A, best-in-class offices
	• EPC B & above
	• Renewable energy sources
	• Green transport options (cycle storage & EV charging) to reduce carbon footprint
	
	Right size underutilised assets via subletting or surrender of excess space
	
	Introducing electric company cars
	
	Investing in audio visual equipment to reduce unnecessary travel
		• Office upgrade:
		  • We have relocated from our existing premises Bristol, Sheffield, Newcastle-upon-Tyne and Leicester to energy-efficient & sustainable buildings, ensuring our new location supports our sustainability commitment whilst minimising our environmental impact. Each relocation, and all related refurbishment, aligns with our property selection criteria.
		  • We consolidated our Worcester and Kidderminster offices into one new location.
		  • We completed a wholesale refurbishment of our existing premises in Stoke following 11 months in temporary accommodation, creating an energy-efficient & sustainable building, ensuring our new workspace supports our sustainability commitment & minimises our environmental footprint providing significantly reduced energy consumption with a more efficient space with collaborative areas and open plan layouts.
		  • Our new and refurbished offices are designed to promote employee health and well-being by designing with natural lighting, ventilation, and ergonomic furniture throughout.
		• During FY24 we introduced an electric vehicle company car scheme allowing colleagues to acquire an electric car through an approved salary sacrifice scheme. As our central car fleet comes up for renewal, we are introducing electric cars where feasible. During the period, 24 new electric cars were ordered, increasing from 15 ordered in FY24
		• We augment our energy management practices on an ongoing basis through the proactive collation of energy usage data to support the active management of positive behavioural change to reduce energy consumption
		• We have continued to invest in Audio Visual equipment as part of office refits carried out during the period and we continuously upgrade and replace old and obsolete equipment ensuring that all offices have access to quality video conferencing equipment reducing the need for unnecessary travel

We commit to:	By:	Progress during FY25:
2 Support a reduction in employee commuting emissions by encouraging the transition to electric vehicles	Charging points to be installed where possible at office locations Launching a cycle-to-work scheme in FY24 'Think before you travel' guidance to be developed and issued	• Our Cycle to Work scheme was launched in November 2023. 26 applications have been made since the scheme was introduced • Our Travel policy was revised during FY24 to actively encourage colleagues to consider if travel is necessary, to consider car sharing and encourages the use of video conferencing facilities
3 Engage and educate our people on ESG matters to drive engagement and build ESG considerations into our every day	Regular programme of communication and training to be implemented	• We continue to develop our internal policies to increase ESG awareness. This includes training courses alongside awareness of ESG issues through day-to-day behaviours • During the second half of the year, building on our Employee Value Proposition introduced in the previous year, we have undertaken a focused engagement programme with colleagues across the business, identifying and capturing the values and culture our people can expect from us in return for their skills, experience and commitment. In particular, we focus on the opportunities our unique platform provides for our people and their careers
4 Achieve net-zero across our entire value chain by 2050 or sooner	Sustainable procurement Identifying additional actions to reduce emissions as we benefit from advancements in technology and the transition to renewable energy	• Building on the steps we took in FY24, we continue to look for opportunities to source more of our consumable items to fully recyclable materials and wherever possible, items made from recycled materials. We have invested in technology such as digital mailrooms and electronic ID systems to reduce the need for courier and postal services and the use of paper
5 Ensuring all of our employees are paid a minimum of the Real Living Wage	Regular reviews to ensure all employees continue to be paid above the Real Living Wage	• All employees continue to be paid at above minimum living wage. The changes to the National Living Wage and the National Minimum Wage were implemented, ensuring all employees are paid above these levels to enable them to participate in salary sacrifice benefit schemes. Monthly reviews ensure ongoing compliance
6 Increasing our social engagement in the community	Encourage increased engagement in our 4 Our Community programme	• Colleagues continue to engage in voluntary work within their local communities through the 4 Our Community programme in which everyone is encouraged to spend four hours every month assisting and volunteering • We have adopted an approach to make all our offices a focus and hub for social and business engagement and activity in all our regional locations, supporting our identity as a national platform "on your doorstep" for the UK regions
7 Continuing to develop an inclusive culture	Embedding of Welcoming Everyone approach to inclusion	• Our Welcoming Everyone approach to inclusion is embedded in our equality based and meritocratic approach along with our friendly culture • Development of new Welcome programme to an in-person key integration tool • Development of key internal events programme to bring colleagues together to foster socialisation and One Team culture in each location. The same event is held in all locations simultaneously to create whole business connection • Focus on health and wellness with social activities based on healthy pursuits including running clubs, charity challenges and walking activities

Managing our business for the long-term.

The Group focuses on three key pillars within its sustainability approach:

Managing our business for the long-term

Aiming for the highest standards of corporate and social behaviour and running its operations with high ethical standards.

Board Composition

- Non-legal background 80% (4 out of 5) (2024: 80%)
- Independent Directors 60% (3 out of 5) (2024: 60%)
- Gender diversity 60% (3 out of 5 are female) (2024: 60%)

Accountability

- Board member accountable for ESG: Jane Pateman
- Independent Audit Committee chair: Gillian Davies
- Independent Remuneration Committee chair: Jane Pateman
- Internal General Counsel and Compliance team and Anti Money Laundering Officer
- COLP and COFA

Foundations

- ESG and Corruption fines: None
- Political contributions: None
- Compliance training: 82% of staff fully trained

Caring for our people and our communities

Fostering a diverse, team based, meritocracy-driven culture and encouraging community contributions.

Sentiment

- Employee NPS* +59 (2024: +15)
- Staff churn* 15% (2024: 12%)
- Client NPS* +47 (2024: +62)

Flexibility & Diversity

- Female Partners 46% (2024: 44%)
- Female Directors 39% (2024: 32%)
- Female promotions 68% (2024: 67%)
- Part-time colleagues 22% (2024: 22%)
- Part-time Partners 24% (2024: 21%)

People Investment

- 62 Trainee solicitors
- 30 Apprentices
- 11,683 hours of employee training
- 4 hours per month available for employees to assist in their community

Foundations

- Data Protection & Privacy (ISO27001, GDPR, UK Cyberessentials+)

Looking after the environment

Focusing on cutting our paper and carbon footprint.

Consumption

- 2% reduction in paper usage compared to last year

Waste

- Hazardous waste 0kg
- Recycled/energy recovery 100% (when under our control)

* See Glossary on pages 143 – 146.

Knights operates its business in accordance with the highest standards of corporate governance and conduct, overseen by a Board of Directors with a wide range of relevant skills and experience.

Board role, independence and diversity

The Board guides our approach and is committed to extending its values to all stakeholder groups, including shareholders, clients, employees, governments and regulators, as well as the communities in which it operates.

Further details of the Board's role are set out in our Section 172 statement on pages 43 – 45 of this Annual Report.

The Board is comprised of two Executive Directors, the Non-Executive Chairman, and a further two independent Non-Executive Directors.

The Board believes that the Directors have an effective blend of financial and public market experience, diversity, skillsets, and capabilities. Our CEO, David Beech, is the only member of our Board with a legal background. The rest of the Directors bring a broad range of experience from various disciplines and a wide range of industries.

5

Board members

60%

Independence

80%

Non-legal background

Business ethics and compliance

Operating responsibly, sustainably and with integrity is a fundamental part of our culture and informs everything we do. It is also essential to the long-term success of the Group.

The Group is regulated by the Solicitors Regulation Authority and is subject to a range of regulations, including the Solicitors Accounts Rules, AIM Rules and rules imposed on listed businesses by the Financial Conduct Authority as well as its own rigorous commitment to conducting its business to the highest standards.

We have a meticulous 'Know Your Client' process to ensure that its business is not used as a conduit for the proceeds of crime, terrorism, or money laundering. The Group conducts thorough audits on client backgrounds prior to working with them, and its dedicated, independent, in-house compliance teams rigorously monitor all work being conducted throughout the business on an ongoing basis.

Everyone receives mandatory compliance training during the onboarding process and are required to refresh this every year.

Anti-Bribery and corruption

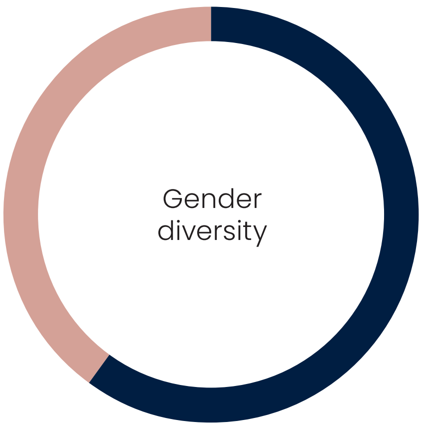
The Board are committed to maintaining the highest standards of ethics and compliance with all relevant laws wherever we do business. We do not tolerate any form of bribery or corruption and require all individuals to comply with anti-bribery and corruption laws and ethical standards.

Whistleblowing

All employees should feel able to raise concerns about any safety, legal or ethical issues. If they feel unable to report these concerns to a manager, we also have an anonymous whistleblowing policy, available on the intranet.

Modern Slavery

We have a zero-tolerance approach to modern slavery anywhere in our supply chain. Our policy is available on our website.



Female	3
Male	2

Caring for people and our communities.

Having become one of the largest, collaborative, regional professional services teams in the UK, Knights has the reputation, market positioning and size to recruit the best professionals in our industry who are attracted by the opportunity to join an open-minded, transformational and resilient business delivering a premium bespoke experience for clients.

We believe in giving people the freedom to discover and fulfil their full potential within a truly collaborative team-based business.

Our inclusive, people-first culture is a clear differentiator and something of which we are incredibly proud.

Excellence together

Excellence is the promise that we make to ourselves and for each other; defining the experience and environment we create at Knights.

We recognise the importance of helping our colleagues, clients and the communities in which we operate to thrive. We celebrate excellence, hold ourselves to high standards of excellence and encourage excellence in each other.

Working together without hierarchy and with high levels of communication and engagement supports and enhances our unique collegiate culture.

Our culture is simple. We support our people while giving them freedom. We focus on what people contribute, we reward people who deliver, we help each other, and we are honest.

Collaborating, sharing and coaching – as agile team players, we become increasingly effective, creative and successful together. We are proud of this approach and believe it makes us a stronger and happier business.

Our approach means we are increasingly diverse. We are proud that the percentage of female Partners remains high and that we benefit from the talent of a wide range of ethnicities, religious backgrounds and sexual orientations.

Excellence together is our commitment to our people, with our people and from our people – activated through our pillars:

- Your career, your path
- Difference with purpose
- One team

Client NPS*

+47

Female partners

46%

Part-time colleagues

22%

Retention*

85%

Employee NPS*

+59

* See Glossary on pages 143 – 146.

Helping people thrive.

Working life at Knights centres on creating a supportive environment which puts our people first and allows them to grow, set and realise their own ambitions. This makes us stand out. At Knights there are no glass ceilings or limits on how our people can progress. Our people are in control of their own careers.

Health and wellbeing

Focusing on the wellbeing of colleagues, and ensuring they are supported, happy and healthy is paramount to us. Our 'one team' collaborative culture is something of which we are immensely proud.

In FY25, we maintained focus on mental health awareness and extended this to nutrition and physical wellbeing. We changed our health and wellbeing provider to Care First – giving our people a greater range of guidance – we held regular focused events across the business to enhance social inclusion, healthy eating and promote physical activity. We provide free fruit to all our colleagues every day, to aid wellbeing. Our focus has been on providing healthy, sustainably sourced food and beverage options with particular emphasis on catering for all dietary preferences including providing a wide range of non-alcoholic beverage options at all events which has seen a very substantial reduction in alcohol consumption.

Learning and personal development

Investing in the growth of our people is important to our business. Excluding our 62 Professional Trainees and 30 Apprentices who are enrolled in formal training programmes, our colleagues have received more than 11,683 hours of formal training across areas ranging from technical skills, business skills, and health and wellbeing. This includes specific, bespoke mentoring sessions for all those colleagues reaching key milestone promotions.

Salaries and promotions

Alongside our recent work to properly price the value that we deliver to clients, we conducted a full salary review by 30 April 2025 which has enabled us to deliver positive uplifts to colleagues across the business.

We are confident that the salaries we offer, at all levels, are competitive. We have also made 91 promotions during the year, reflecting how we continue to nurture and develop our talent and recognise high performance.

Work-life balance

We believe we are stronger, more creative and more productive when we are with our colleagues. We also coach and learn more effectively too. We continue to support and promote a balance between work and personal life to meet individual needs. 22% of colleagues work part-time, including 24% of Partners.

The introduction of the option to purchase up to five additional days holiday from January 2024, enabling colleagues to make individual decisions about their work-life balance has been received positively with 282 colleagues purchasing an additional 1,208 days during 2024.

Offices

Our offices are fundamental in supporting learning and development, collaborative working and building inclusive teams. That is why we continue to invest in best in class office space offering a modern working environment and capacity for future growth. Our focus for office design is on clean, simple, well maintained, uncluttered spaces with natural light, ambient temperatures, refreshing scent and calming décor to support colleagues' mental well-being. Our modern workspaces align with our organisational standards and support both colleagues and clients. Consistent and purposefully designed interiors across locations are intended to facilitate wellbeing, operational efficiency, and collaboration in both in-person and remote settings.

Benefits

During the previous financial year, following feedback from our colleagues, we significantly increased the scope of our benefits available to all employees. we introduced a range of other benefits that our people can opt to participate in.

These benefits include an electric car scheme, a healthcare cash back scheme funded by the business, cycle to work, and a retail discount scheme amongst others. Participation in these benefits has been steadily increasingly since their inception.

From the beginning of this financial year, we also increased the employer pension contribution to a minimum of 5% and increased the amount of life assurance to 4 times salary for all employees.

"We continue to make good progress in delivering against our ESG strategy with a programme of property improvements focussed on helping us to meet our long-term carbon usage targets. We are pleased to have continued to enhance our employee value proposition through our enhanced in-person welcome programme, creating office environments which promote employee health and well-being, and through an ongoing programme of workshops and social events for colleagues of all ages and experience levels across the business, while our 4 Our Community initiative continues to grow."

Jane Pateman
Non-Executive Director Responsible for driving the Group's ESG initiatives since FY20

Events and social calendar

We believe creating opportunities to spend social time and having fun together is important in supporting and promoting our team culture.

Reflecting on our commitment to sustainability, reduced travel, reduced carbon footprint and minimising time commitment for colleagues, we have continued to hold smaller and more focused local and regional social events rather than hold national gatherings.

Following the re-development of our Stoke office, the central hub of our business in December 2024, we have held group workshops for our Partners and Senior Associates, plus other team days, combining a mixture of business and social activities. This is continuing for other colleagues across the business during the current year. We also moved back to holding our welcome programme for new colleagues in-person in Stoke from January 2025, again with a combined business and social focus.

Throughout the year we also run a calendar of events which are a combination of locally organised social events in our offices combined with nationally organised events such as National Cheese Day, World Kindness Day and Valentines Day which we often combine with charitable initiatives.

Nationwide efforts to support disadvantaged people

Our 4 Our Community programme ('4OC'), through which we encourage all our people to give four of their working hours each month to support local causes they care about through volunteering and fundraising, remains our primary national community-focused initiative.

Throughout the last year teams in all our offices have come together to support organisations which make their communities a better place. In the process, our people have used 4OC time to provide mentoring, collect hundreds of Easter eggs and create festive packages.

Similar local initiatives run alongside and in addition to our 4OC programme, including combining appeals for donations to local foodbanks alongside our office social events.

Supporting our communities.

Part of creating a healthy working environment involves enabling our colleagues to make an impact beyond the business. It helps them to feel good, build relationships outside the business and contribute to the communities in which we operate.

We believe those who help others are more engaged and better connected within the communities they serve as part of their work for our business.

This is why our 4 Our Community ('4OC') programme is so important to us and has continued to grow as our business has grown.

Oxford Team supports school for children affected by trauma

Oxford office volunteers used their 4OC hours to support The Mulberry Bush Charity. Over the past year, they assisted with gardening, painting, and maintenance at the school in Standlake, Oxfordshire. Their work has improved and maintained the outdoor spaces for children recovering from trauma by making them safer, more welcoming, and functional.

Using 4OC time to support legal innovation and community learning

Parabhpreet Gill used her 4OC hours to volunteer at the annual Legal Tech in Leeds conference. She also attended sessions on AI, ethics, and sustainability, and networked with other legal professionals. Her involvement promoted knowledge exchange, highlighted emerging issues in legal tech, and helped strengthen networks in the local community.

Team helps hospital charity prepare for summer fundraising

Holly Illingworth, Hannah Berry, Sophie Tucker, Stan Fox, Louisa Drouard, and Tadiwa Daka used their 4OC hours to offer support to a local hospital charity. They assembled fundraising packs for the Snowflake Campaign, helping the hospital launch its first major appeal since rebranding and prepare for key events over the summer.

Caring for big cats through 4OC Time

Jasmin Crook, from our Kings Hill office, uses her 4OC hours to volunteer at the Big Cat Sanctuary in Ashford. For over 18 months, she has helped care for wild and endangered cats. Recently, she supported the rehoming of lions displaced by the war in Ukraine, contributing to their safe relocation.

Cheltenham team supports local Sue Ryder hospice

Adam Schonbeck and colleagues from our Cheltenham office have built a long-term relationship with their local Sue Ryder Hospice, utilising their 4OC hours to volunteer and fundraise.

Supporting parents and carers of young people with SEND

Emma Newton, Paige Gillon, and Amber Whitehouse used their 4OC hours to volunteer with PEGIS, a group that supports parents and carers of young people with special educational needs and disabilities. They provided refreshments at a local event, helping to create a welcoming space for families and service providers to connect.

Supporting local communities in Nottingham

The Nottingham office team used their 4OC hours to serve breakfast and cook meals, helping homelessness charity Emmanuel House support more people. They also wrapped and delivered Christmas presents for refugee families supported by the Nottingham and Nottinghamshire Refugee Forum, providing practical assistance to vulnerable individuals during the winter period.

Supporting local toy appeals in Teesside

The Teesside office team supported The Teesside Charity's toy appeal by collecting donations for children in need. They also backed the Salvation Army's appeal, organising an in-office collection. Both efforts helped provide gifts and practical support to local families, making a positive difference during the festive season for those in need.

Colleagues marked Christmas jumper day with fundraising activities

Hundreds of colleagues took part in Christmas Jumper Day, wearing festive jumpers to support good causes. Many linked their fundraising, collections, and volunteering activities with the event.

Oxford office takes part in OxClean Spring Litter Pick

Eighteen colleagues from the Oxford office used their 4OC hours to join the OxClean Spring Litter Pick. On 7 March, they worked alongside the local community to collect litter across the city, supporting the Oxford Civic Society's initiative to ensure that public spaces are clean, safe, and welcoming for everyone.

Volunteering for the Royal National Lifeboat Institution in Portsmouth

Julie-Ann Harris used her 4OC hours to fundraise for the RNLI across Wiltshire, including dressing as mascot Stormy Stan. In 2024, the Salisbury & Wilton RNLI branch – her local team – raised over £28,000 (the highest annual total to date), helping to fund equipment, training, and emergency response across the region.

Donating blood in Manchester and Wilmslow

Charlotte Lowe coordinated 26 colleagues from the Manchester and Wilmslow offices to donate blood following a colleague's appeal.

Volunteering to maintain Silverdale Park in Stoke

Diane Beardmore, from the Stoke office, used her 4OC hours to volunteer at Silverdale Park, a former mine now managed as a public green space. Working with the Groundwork Trust, she carried out scything, drystone walling, path laying, and coppicing to support conservation and improve public access to nature.

Looking after the environment.

Knights is a low impact, low carbon intensive business. It is deeply committed to minimising the environmental impact of the Group's operations by reducing carbon emissions and considering environmental and sustainability issues as part of all strategic and environmental decisions.

Climate change and carbon emissions

We aim to reduce our emissions and ensure efficient use of all resources within our business. Our main use of energy is in relation to the day-to-day operation of our office locations. We aim continually to assess our real estate portfolio to ensure efficient use of space, rightsizing underutilised assets where feasible, as we have done this year in Bristol, Kidderminster, Leicester, Newcastle, Sheffield and Worcester, either through subletting or surrender of excess space. During the year we relinquished offices reaching the end of their lease terms in Brighton and Kidderminster with colleagues relocating to other nearby offices. This consolidation of office space and the relocation of other acquired premises into suitably sized, modern, best in class office space is part of the Group's strategy to maximise energy efficiencies within the business.

When refitting and upgrading our office space we ensure that a large portion of the procurement is considered to be environmentally sustainable including furniture items such as our task chair which contains 20% recycled content, is 89% recyclable and Greengard Gold Certificated and our carpet which is a carbon neutral product.

We have reported as required on the Taskforce for Climate-related Financial Disclosures ('TCFD') on pages 36 –42 and in accordance with The Streamlined Energy & Carbon Reporting ('SECR') regulations on pages 43 – 44.

The SECR report for the year shows an increase in both location and market based usage in absolute terms as we have grown the Group through acquisitions inheriting 9 new offices. Our intensity level ratios compared to both revenue and average number of employees have both also increased. We expect this to be a short term increase in ratios whilst we work to manage our property portfolio and to right-size existing and acquired properties in the short to medium term.

Paper reduction

Traditionally, law firms are heavy paper users. Our investment in technology and commitment to a 'paper-lite' way of working across the Group supports our aim to be continually below the industry average in terms of our paper usage. With our continued focus on investing in technology we aim to continuously reduce our paper consumption per employee. In FY25 we have reduced paper usage per employee by 2%. To add to this, the paper we use for everyday printing is now FSC and EU Ecolabel certified, free from ECF, ISO 14001 certified and finished to reduce toner use.

Waste management and recycling

We recycle wherever possible, including paper, cans, plastic, cardboard and computer equipment. Recycling bins are in all of our offices to ensure recycling is simple and easy for our people. We provide glasses along with water stations to reduce the use of plastic water bottles across the business. We have introduced glass hand soap and washing up liquid dispensers to reduce single use plastic, refilling using environmentally sustainable products; we have transitioned to using FSC and EU Ecolabel certified hand towels (which we fully recycle nationwide). We rapidly modernise the businesses that we acquire, improving their digital infrastructure and digitising all paperwork in offices on our platform. We also have a continuous programme to reduce the amount of paper in storage to reduce energy costs associated with storing excess paper. All paper taken out of offices and storage is recycled.

We engage with our electrical waste suppliers to ensure there is a high degree of re-use and recycling of our retired IT equipment. Redundant equipment is recycled by ISO 27001 accredited firms which are certified by the Asset Disposal and Information Security Alliance ('ADISA'). ADISA recycles as much of the equipment as possible. Any parts which are not recyclable are disposed of in line with the Waste Electric and Electronic Equipment Regulations 2013 ('WEEE').

We recognise the climate change risks facing the global environment, and we support the global transition towards a sustainable low carbon economy with a transition towards net-zero.

In this section we report climate related disclosures in accordance with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 which has requirements aligned to the Task Force on Climate-related Financial Disclosures ('TCFD') Statement.

This year our focus has been on continuing to develop our understanding of the climate-related impacts and related disclosures applicable to the Group. We have engaged with an external consultant who is completing a full review of our climate related issues and strategy ensuring that we develop challenging but achievable targets for the Group.

We support the TCFD recommendations and are committed to implementing them, providing all stakeholders with full information on our exposure to climate-related risks and opportunities, aiding them in making informed investment and other decisions.

Governance

Requirement	Disclosure
Describe the Governance arrangements of the Group in relation to assessing and managing climate-related risks and opportunities (CCROs).	The Board is responsible for the Group's overall strategy and appetite for risk. This includes areas relating to sustainability, environment, and climate. Knights' ESG committee meets regularly to discuss existing and identify emerging risks and opportunities relating to climate change. The ESG committee is a small, agile team comprising as a minimum the group CFO, Operations Director, Property Director and Company Secretary. The ESG Committee is responsible for ensuring that any material risks are included within the Group's risk register under a climate sub-section. This register is reviewed annually by the audit committee and Executive and plc Board. Potential opportunities identified are escalated for discussion annually by the executive and plc board, as well as internally at management meetings throughout the year and actioned as necessary. While the Executive Board are ultimately responsible for the impact of climate related risks and opportunities on the Group, the ESG Committee and internal Business Services Directors are responsible for ensuring that all potential risks and opportunities are considered in all operational areas across the business, including (but not limited to) estate management, procurement, sector dependencies, health and safety, IT, HR policies, and finance. The Executive and plc Board consider risks and opportunities when reviewing and making strategic and operational decisions, and assessing capital expenditure and acquisitions. In 2025, Knights began a partnership with an external sustainability consultant, with whom we continue to develop the roles and responsibilities of the management team in assessing and managing any climate related risks and opportunities across the Group. From FY 2026 they will join one quarterly ESG committee meeting per year to provide technical expertise.

Risk management

Requirement	Disclosure
Describe how the Group identifies, assesses and manages climate-related risks and opportunities.	Risk management is an integral part of our governance, and we focus on the key risks that could impact our ability to achieve our financial and strategic goals. Knights' climate-related risks and opportunities (CRROs) log is updated annually at group level via partnership with external climate change specialists. The CRROs are subsequently reviewed by the ESG committee for ongoing relevance and completeness. Two categories of CRROs are recorded in a climate risk matrix: • Physical CRROs are assessed via UK climate forecasts across two scenarios (RCP 4.5 and RCP 8.5) across the short, medium and long term. • Transition risks were identified, via facilitated workshops, across four risk categories (policy and legal, technology, market, and reputation) for a disorderly transition scenario across three timescales. CCROs are assigned a likelihood and consequence score, which are multiplied to rank overall risk. The climate related risks deemed material are then included in the company risk register maintained by our compliance team, and escalated and reviewed annually by the board. Appropriate mitigating factors are in place for all risks identified. Climate related opportunities are also discussed at board level annually. If time sensitive (<1 year) CCROs are identified in ESG committee meetings, these are escalated to board level more frequently. Mitigation actions are then disseminated down to responsible individual Business Service Directors by the ESG committee to ensure appropriate actions are in place. This framework ensures that we centrally capture, document, review and manage the risks facing the business.
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the overall risk management process in the Group.	Climate risks are currently identified via a separate, climate-specific risk management process by the ESG committee in partnership with an external sustainability consultancy. Findings are reviewed regularly. The Knights ESG committee identifies material risks and integrates them into the central Knights risk register. These risks (and opportunities) are considered in all significant business decisions at Executive Board and individual Business Service level. We continually embed into our culture the consideration of climate and environmental related issues, and in FY 2026, plan to provide companywide training to ensure a base level of climate change knowledge across our business. Furthermore, all of the ESG committee are undertaking more detailed climate specific training this year to ensure current knowhow and enhance their ability to identify emerging risks throughout the year.

Strategy

Requirement	Disclosure
Describe (i) the principal climate-related risks and opportunities arising in connection with the operations of the Group, and (ii) the time periods by reference to which those risks and opportunities are assessed.	Our analysis of the key risks and opportunities relating to climate change over the short, medium, and long term are summarised in the tables below. These opportunities and risks are reviewed and updated in response to the evolving landscape. The timeframes used for the climate risk assessment are: • Near term: to 2030 • Medium term: 2030 to 2040 • Long term: to 2050
Describe the actual and potential impacts of the principal climate-related risks and opportunities on the business model and strategy of the Group.	A summary of our analysis of the actual and potential impacts of the identified climate risks and opportunities are tabulated below. In brief: • Transition risks are primarily around market and policy changes that focus on increasingly ambitious ESG requirements and market expectations. This does however present an opportunity for Knights in climate litigation. • Direct physical risk is considered generally low due to the service-based nature of Knights' operations. While there are additional physical risks around key elements of the value chain, such as data centres and other key services, these are also generally low-risk.
Describe the resilience of the business model and strategy of the Group, taking into consideration different climate-related scenarios.	Knights' exposure to climate risk is relatively low for most plausible scenarios. Current mitigation, in conjunction with ongoing monitoring of embedded climate risk management and escalation processes, lead us to consider our business model to be resilient. These processes would give us sufficient notice to adapt our business model and activities to mitigate any new or growing risks.

Metrics and targets

Requirement	Disclosure
Describe the targets used by the Group to manage climate related risks and to realise climate-related opportunities and performance against targets.	In response to the reality of climate change, the group has carried out a full greenhouse gas assessment and is in the process of setting science-based GHG reduction targets. In FY26 we will develop a decarbonisation strategy, mapping out specific actions to meet this target, and are in the process of having these targets formally submitted to the Science Based Targets initiative. We have set additional targets on upskilling 100% of Knights ESG committee and offering training to the wider workforce during FY26 to ensure a base level of climate-related knowledge to better inform decision-making. We do not currently report on the proportion of group revenue from climate-related workstreams, but will monitor this over the coming years. Material climate risks will be monitored and any appropriate additional risk-specific targets added as necessary in future.
Describe the key performance indicators used to assess progress against targets used to manage climate related risks and realise climate-related opportunities and a description of the calculation on which those key performance indicators are based.	The methodology for calculating group emissions follows the GHG Protocol set of standards, with targets set following the Science Based Targets Corporate Net-Zero Standard. These calculations include all Kyoto Protocol GHGs and are expressed as tonnes of carbon dioxide equivalent (tCO_2e). Our 2024 scope 1, 2 and 3 emissions are reported on page 43. Direct energy consumption is reported via our streamlined Energy and Carbon Reporting disclosure on page 43. Progress against our emissions reduction and staff engagement targets are reported internally, annually, to the Executive Board.

Risks and opportunity identification and assessment

Transition risks were identified and assessed under four categories: market, policy and legal, reputational, and technical (although no key risks or opportunities were identified in the latter category). Key risks include increasing ESG requirements legally and commercially, and increasing expectation around sustainability from investors or other stakeholders. Key transition opportunities include a possible increase in climate-related compliance and litigation and the consequent increase in demand for legal services.

Owing to the nature of Knights' business model, **physical risks** from climate change presents little direct threat to Knights' operations over the timeframes assessed, although it is feasible that in the medium and long term suppliers and clients could be more affected. This could also extend to vital infrastructure such as data centres and other IT and telecom-related support services, for which reason much of the suggested mitigation relates to the value chain rather than to Knights' direct operations.

Transition risks and opportunities

Type	Description	Impact	Mitigation	Risk score to 2030	Risk score to 2040	Risk score to 2050
Market						
Risk	An increasing number of clients require Knights to commit to binding science-based GHG reduction targets (SBTs).	SBT adoption would require Knights to carry out an annual all-scopes GHG inventory and set a baseline from which to decarbonise, typically by around 50% for direct operations.	Knights is in the process of adopting SBTI-aligned decarbonisation targets and in FY26 will submit formal SBTi targets.	4	8	12
Risk	Lack of climate-specific awareness at senior level leads to underestimation of climate risks and opportunities.	Reputational risk and climate risks not given adequate consideration.	Upskilling to take place in FY26, including climate training workshop for ESG group.	1	4	6
Opp	Increasing compliance and regulatory requirements open up new business opportunities for support on legal requirements, notably in the Mines & Minerals, Agriculture & Aviation sectors (and more broadly).	This is very likely to provide some degree of commercial opportunity for Knights.	Build capability and/or training around environment and sustainability-related services.	2	4	9

Type	Description	Impact	Mitigation	Risk score to 2030	Risk score to 2040	Risk score to 2050
Policy & legal						
Risk	Via Knights' acquisition model, there is a risk of acquiring older building stock that does not meet future/imminent energy and carbon minimum standards under MEES regulations.	Potential liabilities to pay for upgrades required to meet 2030 targets, which is highly site-dependent but can entail significant capital expenditure.	MEES and other relevant ESG-linked site- and company-level requirements are both identified and fully covered in pre-acquisition due diligence process.	3	8	8
Risk	Increased resource and cost within organisation to ensure compliance with future ESG compliance and policy.	Minimal to minor change due to increased resource and cost.	Building capacity and external partnerships for sustainability reporting and compliance, ensuring environmental and regulatory readiness.	3	4	4
Risk	As government policy increases requirements for companies to reduce GHG emissions, Knights may need to implement emissions-reductions strategies such as investment in renewables or energy-efficient upgrades, leading to increased operational costs.	Given the embedded mitigation, Knights may see a minor change to operating costs in the medium-and long-term.	Knights are a low impact company in climate terms, but shall embed ongoing and embedded horizon scanning and anticipation of any new requirements together with ongoing decarbonisation efforts.	1	2	3
Risk	Potential consequences (including reputational) for non-compliance with any new legal requirements in the climate space.	In the short term, the consequences are low. Over the medium and long term, any non-compliance could result in financial or reputational repercussions if not met.	Knights are a low impact company in climate terms, but shall embed ongoing and embedded horizon scanning and anticipation of any new requirements together with ongoing decarbonisation efforts. As a legal company Knights are well placed to track and anticipate and meet future requirements.	1	4	4
Risk	Litigation risks exist for companies if they are seen to not comply with relevant laws and policies, or are accused of misleading claims that amount to greenwashing.	Consequences could include reputational damage, particularly from accusations of greenwashing. (This is also a potential opportunity for Knights – see market opportunity above).	Knights are a low impact company in climate terms, but shall embed ongoing and embedded horizon scanning and anticipation of any new requirements together with ongoing decarbonisation efforts. As a legal company Knights are well placed to track and anticipate and meet future requirements.	2	2	3

Type	Description	Impact	Mitigation	Risk score to 2030	Risk score to 2040	Risk score to 2050
Reputation						
Risk	Investors are increasingly requiring ESG information and commitment to sustainability goals and may push for stronger climate commitments.	In the short term, the consequences will be manageable; failure to meet investor expectations in the medium and long term could result in financial repercussions.	As per other ESG compliance related risks, key mitigation is to track and respond to ongoing political and market-linked changes in expectation and requirement.	3	8	12
Opp	Knights becoming a sustainability exemplar in the legal sector could help attract new clients (i.e. those with SBTs) and staff.	This could lead to more work on legal requirements for SMEs without in-house capability.	More disclosure and publicising of current achievements and initiatives.	4	4	4
Risk	With expansion, Knights is coming under increasing press and public scrutiny, as well as from investors, which can include its ESG commitments and performance.	Increased ESG expectation (even if not regulatory) is likely to equate to increasing legal support requirements (this is also an opportunity for decreased interest rates with some investors if targets are met).	Continue to build capacity for sustainability reporting and compliance, ensuring environmental and regulatory readiness.	3	8	8

Physical risks and opportunities

Description	Impact	Mitigation	Risk score (RCP 4.5) to 2030	Risk score (RCP 4.5) to 2040	Risk score (RCP 4.5) to 2050
Increased summer temperatures, heat waves and high heat days					
Prolonged exposure to high temperatures during heat waves impact value chain, including clients and vital support services	Possible cumulative impact on supporting infrastructure such as data centres and even reliability of transport infrastructure such as rail lines and roads.	As a business continuity measure, consider engaging with key product and service suppliers to ensure they have mitigation and adaptation plans in place for heat-based climate risk.	4	4	6
Increased intensity and duration of hot summers could cause material and asset deterioration at Knights' sites, leading to increased energy and maintenance expenditure and operational costs. Failure of critical infrastructure such as data centres may become more common	Increase in energy (for cooling) and maintenance costs, plus possible indirect cost increases for data and supporting infrastructure as adaptation becomes required across the supply chain.	The condition and integrity of buildings and components should be regularly assessed, with scope and frequency adapted based upon prevailing weather risk. Additionally, readiness for heatwaves should also be appraised with possible mitigation in mind – for instance, installing pare-brises and/or blinds over south-facing windows and ensuring that AC is as efficient as possible. If moving buildings, consideration should be given to heat adaptability, such as avoiding sites with large south-facing atria.	4	4	6

Description	Impact	Mitigation	Risk score (RCP 4.5) to 2030	to 2040	to 2050
Increased summer temperatures, heat waves and high heat days, coupled with decreased summer precipitation					
Increased temperatures (according to UK CP18 projections, max summer temperatures are projected to reach nearly 40C under RCP 8.5) and diminished precipitation rates may contribute towards drought	Although owing to the nature of Knights' business, direct impacts from drought are likely to be minimal, there is also a risk of negative impacts on key suppliers such as data centres (which can use water for cooling).	As a business continuity measure, consider engaging with key product and service suppliers to ensure they have mitigation and adaptation plans in place for climate risk such as drought.	4	4	6
Increased winter precipitation and increase in magnitude and frequency of extreme rainfall events, with potential to lead to river and/or surface water flooding					
Storm damage to built assets, e.g., damage to buildings from fallen trees, extreme winds or heavy rainfall	Storm events and associated heavy precipitation may damage assets, either directly or indirectly.	Ongoing preparation and PPM will help mitigate the most extreme direct consequences. For indirect (value chain) impacts, again the key mitigation is engaging with key value chain members proactively to ensure mitigation and adaptation measures are in place for key risks.	2	2	6
Extreme weather events such as storms and flooding may render some Knights or client sites harder to access, and impact on wider transport and distribution networks, affecting supply of resources and/or staff to sites	Depending on the severity of the extreme weather event, disruptions may be caused to supply chains, supporting infrastructure such as communications, clients, and staff access to Knights offices or client sites.	Supply chain risks and staff resourcing should be considered to determine resilience to climate-related events that may disrupt the procurement of time-sensitive materials, or the availability of staff resource on sites. Continued engagement with suppliers to monitor situation.	4	6	8
Sea level rise					
Coastal flooding could theoretically impact Knights' value chain	Flood impacts, even if severe enough to disrupt travel and supply chains, are unlikely to persist for an extended period of time in the UK over the periods assessed. UKCP18 data suggests a sea level rise range of between 18 and 35 cm in London by 2050 under RCP4.5 and 21 and 40 cm under RCP8.5.	Supply chain risks and staff resourcing should be considered to determine resilience to climate-related events that may disrupt the procurement of time-sensitive materials. Continued engagement with suppliers to monitor resilience.	2	2	4

Streamlined energy and carbon reporting.

Greenhouse gas emissions (‘GHG’) statement

We have reported scope 1, 2 and 3 greenhouse gas (‘GHG’) emissions in accordance with the requirements of Streamlined Energy and Carbon Reporting (‘SECR’).

This includes our stated emissions for the reporting year – the 12 months starting 01/05/2024 and ending 30/04/2025 with comparatives for the year ended 30 April 2024.

Annual energy consumption (kWh)	**01/05/2024 to 30/04/25**	**01/05/23 to 30/04/2024**
Electricity	**2,294,600**	1,806,990
Gas	**301,330**	324,212
Transport fuel	**1,756,325**	987,634
Total	**4,352,255**	3,118,836
Annual GHG emissions (tCO_2e)		
Scope 1		
Emissions from combustion of gas	**55**	60
Emissions from combustion of fuel for transport purposes	**19**	16
Scope 2		
Emissions from purchased electricity – location-based	**475**	374
Emissions from purchased electricity – market-based*	**579**	311
Scope 3		
Emissions from business travel in rental cars or employee vehicles where company is responsible for purchasing the fuel	**411**	224
Emissions from electricity upstream transportation and distribution losses and excavation and transport of fuels – location based	**156**	123
Emissions from upstream transport and distribution losses and excavation and transport of fuels – market based *	**14**	37
Total tCO_2e emissions (location-based)	**1,130**	833
Total tCO_2e emissions (market-based)*	**1,234**	770

* Carlisle, Exeter, Kidderminster, Leicester, Stoke, Teesside and York offices use 100% renewable tariffs.

Annual energy consumption (kWh)	**01/05/2024 to 30/04/25**	**01/05/2023 to 30/04/2024**
Intensity (tCO_2e/FTE)		
Full Time Equivalent (‘FTE’) Employees	**1,267**	1,323
Intensity ratio: total location-based tonnes per FTE employee tCO_2e/FTE	**0.90**	0.63
Intensity ratio: total market-based* tonnes per FTE employee tCO_2e/FTE	**0.98**	0.58

Intensity (tCO_2e/£m revenue)	**01/05/2024 to 30/04/25**	**01/05/2023 to 30/04/2024**
Revenue (£m)	**162.0**	150.0
Intensity ratio: total location-based tonnes per £m revenue tCO_2e/£m	**6.98**	5.56
Intensity ratio: total market based tonnes per £m revenue tCO_2e/£m	**7.62**	5.14
Methodology	GHG Protocol Corporate Accounting and Reporting Standard	

Methodology

This report has been compiled using the methodology laid out in the UK's Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, published by BEIS and Defra in March 2019. Energy consumption has been derived from invoices and meter readings. GHG emissions were calculated using activity data provided by Knights in conjunction with the UK Government GHG Conversion Factors for Company Reporting (July 2024).

Scope and subject matter

The boundary of the report includes all UK offices that were operational for any time during the reporting period.

Energy efficiency actions

In the period covered by the report, Knights has undertaken a number of efficiency measures including:

Kidderminster & Worcester consolidation

Relocation from two existing premises to an energy-efficient and sustainable building, ensuring our new location supports our sustainability commitment whilst minimising our environmental impact.

- Bespoke refurbishment and occupation of 1 Kings Court, Worcester
- Significantly reduced footprint and liability from two acquired, in-efficient buildings into a right sized office for our colleagues
- Reduced energy consumption with a more efficient space with collaborative areas and open plan layouts
- Promote employee health and well- being by designing with natural lighting, ventilation and ergonomic furniture throughout.

New location offers:

- New VRF comfort cooling
- New LED lighting
- EV charging
- EPC A

The Board recognises that the Group has a number of stakeholders, and that it needs to seek to understand their views in order for the Group to deliver sustainable growth.

This section of the Strategic Report describes how the Board acts in line with Section 172 of the Companies Act 2006, and continues to have regard for:

- the likely consequences of any decision in the long-term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, clients and others;
- the impact of the Group's operations on the community and the environment;
- the desirability of the Group maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Group.

By considering the Group's purpose, vision and values together with its strategic priorities and having a process in place for decision making, we aim to make sure that our decisions are consistent and appropriate in all circumstances. We delegate authority for day-to-day management of the Group to the Executive Board and then engage management in setting, approving and overseeing execution of the business strategy and related policies. Board meetings are held bi-monthly at which the Directors consider the Group's activities and make strategic decisions. The Group's executive management team meet on a regular basis to discuss day-to-day operations and opportunities.

The disclosures set out below are some examples of how the Board has had regard to the matters set out in Section 172(1)(a) to (f) when discharging their Section 172 duties and the effect of that on certain decisions taken by them and how the Board seeks to ensure effective and continuous engagement with its stakeholders.

Engagement with stakeholders

Shareholders

Constructive engagement with our shareholders supports the future success of our business. The Board is committed to an open dialogue and fair and equal treatment of all shareholders to ensure that shareholders are kept up to date with strategy and business performance.

The Board receives regular updates on shareholder engagement and analyst commentary and receives presentations from corporate brokers on investor perception. The Board also takes advice and guidance from its advisers on what is important to shareholders in planning all communications. This ensures that all communication addresses any emerging key topics and provides sufficient information about the Group to reassure our shareholders that the Group continues to be in a strong position and remains a good investment opportunity. Knights' CEO and CFO have a full programme of engagement with shareholders and present to the Group's largest shareholders, as well as market analysts, following the release of the full and half year results. The CEO and CFO also meet with individual shareholders throughout the year.

Our Annual General Meeting ('AGM') is an important part of effective shareholder communication, with all shareholders having the opportunity to hear from the Company and ask questions. The Board welcomes the opportunity to engage with shareholders, typically providing a brief update presentation at each AGM, with all Directors being available to answer questions.

Employees

As a people business, our employees are at the heart of everything that we do and every decision that we make. The Board recognises that delivery of the Group's strategy requires strong employee engagement, and we pride ourselves on having an open and honest relationship with our workforce, empowering them to have their say, whilst ensuring they remain supported. The Board continuously monitors our culture to ensure that it is a positive environment which allows our employees to develop and grow.

To achieve continuous engagement:

- the Group holds regular visits and meetings across all offices where our CEO and leadership team meet colleagues to discuss key drivers for the business;
- the Group holds regular CEO update webinars to present the results, vision and plans and at which employees are encouraged to have an open Q&A with the CEO with nothing being off limits;
- with the new training facilities available from the refurbishment of the Stoke office, the Group has increased its focus on providing regular in person training and collaboration sessions with all colleagues; and
- the Board meets with the leadership team throughout the year, through presentations at Board and Committee meetings and visits to offices to discuss the challenges and opportunities affecting the stakeholders and strategy of the business.

See page 29 for details of the results of the employee NPS programme undertaken during the year.

Regulators

The Group continues to work hand in hand with its regulator, the Solicitors Regulation Authority ('SRA') and its complaints handling body, the Legal Ombudsman, to ensure that it abides by its professional and regulatory duties and obligations in an open and transparent manner. The Board conducts regular regulatory compliance reviews, with a dedicated compliance section in every board pack to analyse client risks. Through the CEO and CFO, the Board is in contact with the SRA and, as an AIM listed company, the Group is in regular contact with our nominated advisor and the Financial Conduct Authority.

Clients

Our clients' needs are considered at every level of the business, from the Board to our office hosts. Knights takes a proactive approach to communicating with clients, with the CEO and members of the leadership team 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.

Suppliers

The Group's procurement policy includes a commitment to sustainable procurement and mitigation against the risk of modern slavery, bribery or corruption anywhere in our supply chain. The Group also aims to conduct itself to the highest standards and pay all invoices promptly. Our collaborative approach ensures all parties have a shared long-term objective of working together, reducing risk, maintaining high standards of business conduct and delivering to specific time and cost parameters. The Board plays a key oversight role in these policies.

Community participants

Our ESG strategy is focused on adding value to the communities in which we operate and is detailed on pages 31 – 34 of this report. Detailed updates on this strategy and associated programmes of work are regularly provided to the Board.

Decision-making

Acquisitions

The Group acquired two law firms during the year, providing additional scale, practice areas and presence in the Midlands and South East of England continuing its strategy to build the leading premium, fully collaborative legal and professional services business in the UK. The acquisitions provide enhanced revenue generation and new platforms for organic growth which in turn provide returns to shareholders in the longer term and enhanced employment opportunities as part of a wider Group. Prior to completing the acquisitions, the Board considered the effects that the acquisitions would have on the Group's gearing and creditors to ensure that executing the acquisitions would not adversely impact creditors' interests. The Board, in conducting its due diligence, also considered how each acquisition would fit with the culture of the business and the long-term value creation strategy of the wider Group.

Dividend

The Board declared an interim dividend of 1.76p per share in January 2025 and recommended a final dividend of 3.05p per share in September 2025 for the year ended 30 April 2025. In arriving at this decision, the Board considered both the cash position of the business and shareholders' interests. The Board considered that the business' cash reserves are sufficient to ensure the continued ability to meet all its obligations and its acquisition and investment strategy for the future.

Approval of the budget

The Group's business plan is to drive sustainable growth in the long term, which is in the interests of all its stakeholders. The Board has paid close consideration to this objective in establishing and approving the annual budget and taking measures to continue to maintain excellent levels of cash collection and lock-up days, and to obtain the best interest rates achievable considering the wider economic environment. Given the current macro-economic climate, the Board has considered the impact of external factors on the Group's financial performance and ability to deliver for its stakeholders. The Group has no over reliance on any practice area, professional or individual client; has significant headroom in its banking facilities and therefore the Board considers the Group is well placed to continue to deliver a high standard of client service, maintain strong relationships with our suppliers whilst continuing to focus on minimising the environmental impact of the Group.

The framework through which we provide transparency on how we operate in line with current regulations is set out in the Corporate Governance report on pages 68 – 75 and in the Principal Risks and Uncertainties report on pages 58 – 63.

We also recognise that better corporate behaviours provide improved long-term returns and therefore ESG is a key focus for the Board. Our ESG commitments and metrics are set out on pages 27 – 28.

We continue to develop our approach on how climate related risks impact our governance, strategy and risk management and have disclosed our approach and current positioning relating to climate related issues in accordance with the Task Force on Climate-Related Financial Disclosures ('TCFD') on pages 36 – 40.

The table below summarises our Non-Financial and Sustainability Information Statement, prepared to comply with sections 414CB and 414CA of the Companies Act 2006. A description of the business model and strategy as well as the non-financial KPIs relevant to our business are set out in the Strategic Report on pages 14 – 30.

Requirement	Where to find further information	Page number	Relevant policies if applicable
Environmental Matters	Looking after the environment Climate related financial disclosures regulations 2022 statement	35 36 – 42	ESG
Employees	Investment case Business model Caring for our people and communities Section 172 statement	4 14 31 – 34 45 – 46	Health & Safety Policy Training Policy Diversity & Inclusion Policy Conflicts of Interest and Related Parties Policy Whistleblowing Policy
Society and communities	Caring for our people and communities	31 – 34	Corporate and Social Responsibility Policy 4 Our Community
Respect for human rights	Managing our business for the long term Section 172 statement	30 45 – 46	Modern slavery Policy Procurement Policy
Anti-bribery and corruption	Managing our business for the long term Section 172 Statement Audit Committee Report	30 45 – 46 76 – 79	Anti-bribery and Corruption Anti-Money Laundering Policy Whistleblowing Policy

"I am pleased to report that the results for FY25 reflect another year of continued consolidation and acquisitive growth."

Kate Lewis
Chief Financial Officer

CFO Review

I am pleased to report another year of profitable, cash generative growth with revenue of £162.0m, up 8% compared to the prior year (FY24: £150.0m) and underlying EBITDA* increasing by 11% to £42.9m (FY24: £38.7m).

Reported profit before tax (PBT) fell to £12.3m (FY24: £14.8m) due to increased non-underlying costs driven primarily by large acquisitions being completed in the year resulting in higher one-off costs from both the acquisitions and subsequent integration and restructuring processes.

Our continued disciplined approach to the management of lock up* has generated excellent cash conversion* of 130% for the year (FY24: 131%) enabling us to fund our continued growth strategy.

An increase in recruitment during the year and two complementary acquisitions, the second of which is the largest acquisition to date for the Group, have enabled us to deliver these positive results despite the continued uncertainty in the macro-economic environment throughout the period.

* See Glossary on pages 143 – 146.

Financial results

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000	% change
Revenue	**161,966**	149,957	8%
Other operating income	**9,649**	10,439	(8%)
Staff costs	**(97,607)**	(93,007)	5%
Other operating charges	**(29,839)**	(28,218)	6%
Impairment of trade receivables and contract assets	**(1,241)**	(489)	154%
Underlying EBITDA*	**42,928**	38,682	11%
Underlying EBITDA %	**26.5%**	25.8%	
Depreciation charges under IFRS 16	**(5,223)**	(5,607)	(7%)
Finance costs under IFRS 16	**(2,249)**	(1,471)	53%
Underlying EBITDA post IFRS 16 charges	**35,456**	31,604	12%
Depreciation and amortisation charges (excluding amortisation on acquired intangibles)	**(3,617)**	(2,903)	25%
Investment income	**58**	–	–
Underlying finance charges (excluding IFRS 16)	**(4,133)**	(3,402)	21%
Underlying finance income	**239**	23	939%
Underlying profit before tax*	**28,003**	25,322	11%
Underlying profit before tax margin	**17.3%**	16.9%	
Underlying tax charge	**(7,448)**	(6,598)	13%
Underlying profit after tax*	**20,555**	18,724	10%
Underlying basic EPS (pence) *	**23.95**	21.81	10%

Revenue

Reported revenue for the year is £162.0m compared to £150.0m in FY24, an increase of 8%.

Of this increase, £12.5m was generated from acquisitions made during the year, with revenues from acquisitions made in FY24 remaining static in FY25, meaning that total organic revenues have reduced by £0.5m in the year.

Organic revenues

In the second half of FY24 we made the strategic decision to significantly reduce our restructuring and insolvency team. This led to a reduction in revenues of c.£0.8m in FY25 compared to FY24. Excluding the effect of this strategic reduction in revenue, organic revenue grew by £0.3m in the year.

Whilst some areas of the Group demonstrated strong organic growth e.g. CL Medilaw and residential property, other areas such as corporate and private client work declined due to macro-economic factors and churn within the business in FY24 and the first half of FY25.

Despite this, leading indicators of future organic growth have been improving particularly in the second half of the year with improvements in pricing, recruitment of senior fee earners with strong client following and a significant reduction in churn levels.

Revenue from acquisitions

At the start of FY24 we acquired Baines Wilson and St James Law. Combined revenues in FY25 have remained at broadly in line with FY24. Both acquisitions have also delivered strong organic growth with the Newcastle office acquired as part of the St James Law acquisition recruiting 10 senior fee earners (senior associates and partners) since acquisition.

The acquisitions of Thursfields Legal Limited and IBB Law LLP completed during the year. Both acquisitions are fully integrated onto the central business systems and are performing as expected contributing £12.5m of revenue since acquisition.

Staff costs

Total staff costs of £97.6m (FY24: £93.0m) have decreased as a percentage of revenue to 60.3% (FY24: 62.0%) reflecting the continued discipline on cost control whilst investing in the future growth of the business through recruitment of quality fee earners. During FY25 we invested in the continued recruitment of partners and senior associates with strong client relationships and in our business services team and management to ensure the Group is well placed to support future growth.

Direct staff costs

Fee earning staff costs have reduced to 49.5% of revenue (FY24: 51.2%). The leveraging of these costs reflects the reduction in organic staff numbers through churn in FY24 and the first half of this financial year. This improvement in gross margin to 50.5% (FY24: 48.8%) reflects higher fees per fee earner, control of fee earner costs and improvement in pricing.

Whilst managing our costs we have continued to invest in the recruitment of senior fee earners to support our future organic growth with 51 new senior fee earners being recruited organically during the year compared to 40 in FY24. Excluding the drag on gross margin from the investment in new recruits, gross margin for the year would be over 51% due to the increased recruitment in the year and the time taken for new recruits to be operating at run rate income and gross margin levels.

Support staff costs

Non fee earner staff costs have remained at 10.8% of revenue in the year (FY24: 10.8%) as we continue to invest in our management structure whilst leveraging our support staff costs and ensuring we have the sustainable business services platform in place to support our future growth.

Other operating charges

Other operating charges of £29.8m have reduced to 18.4% of revenue (FY24: 18.8%), leveraging our cost base through disciplined cost control and the full year impact of the work undertaken in the last 18 months to consolidate supplier contracts and maximise synergy savings from acquisitions.

Other operating income

Other operating income has decreased to £9.6m from £10.4m driven by a decrease in interest earned on client monies held due to lower interest rates in the year.

Underlying EBITDA*

Underlying EBITDA* excludes non-underlying operating expenses. These expenses include non-recurring transaction and onerous lease expenses, contingent acquisition payments and one-off restructuring and professional expenses mainly incurred in the streamlining of support functions or strategic reorganisations. The Board considers this to be a key metric to measure the underlying business performance.

Contingent acquisition payments are treated as a non-underlying expense as this represents payments for acquisitions which are dependent on the continued employment of certain individuals in the business for an agreed contractual period after an acquisition of one to three years, to preserve the goodwill and customer relationships. Accounting standards require such payments to be treated as remuneration in the Statement of Comprehensive Income. However, the individuals also receive market rate salaries, therefore, if not separately identified, these payments would significantly distort the reported results.

During the year, underlying EBITDA increased by £4.2m to £42.9m (FY24: £38.7m) representing an increase in margin to 26.5% (FY24: 25.8%) driven mainly by the increase in gross margin in the period as well as leveraging other costs.

IFRS 16 depreciation and finance charges

The IFRS 16 rental and finance expenses represents the accounting charge in respect of all leases with a term of over one year. Although during the year total charges have increased to £7.5m (FY24: £7.1m), costs as a percentage of revenue have reduced from 4.7% of revenue in FY24 to 4.6% of revenue in FY25 as we continue to manage our property portfolio to optimise our space wherever possible.

Depreciation and amortisation charges

The increase in depreciation and amortisation charges in the year to £3.6m (2.2% of revenue) from £2.9m (1.9% of revenue) in FY24 is a result of continued investment in property upgrades and refurbishments to support the growth of the business.

Finance charges

Finance charges increased by £0.7m in the year to £4.1m (FY24: £3.4m) driven mainly by increased drawn balances on our RCF facility to fund acquisitions during the year.

Underlying profit before tax (PBT)*

Underlying profit before tax excludes amortisation of acquired intangibles, transaction, and onerous lease expenses in relation to acquisitions, contingent acquisition payments, disposals of acquired assets, one-off restructuring and professional costs mainly incurred in the streamlining of support functions or strategic reorganisations.

Underlying PBT has been calculated as an alternative performance measure (see note 39 of the financial statements) to provide a more meaningful measure and year on year comparison of the profitability of the underlying business.

* See Glossary on pages 143 – 146.

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Profit before tax	**12,269**	14,831
Amortisation on acquired intangibles	**4,033**	3,580
Contingent acquisition payments treated as remuneration	**3,752**	2,824
Other non-underlying costs	**7,949**	4,087
Underlying profit before tax*	**28,003**	25,322

Total Group underlying PBT has increased by 11% to £28.0m (FY24: £25.3m).

The underlying profit before tax margin in the year increased to 17.3% from 16.9% in FY24 primarily from an increase in gross margin offset by a reduction in other income and an increase in interest payable.

Reported profit before tax (PBT)

Reported PBT for the year has reduced to £12.3m in the year (FY24: £14.8m) due to an increase in non-underlying operating and finance costs from £6.9m in the prior year to £11.7m in FY25.

Non-underlying operating costs have increased in the year due to two larger acquisitions completed during the year resulting in £1.7m increased restructuring and transaction costs and a £1.0m increase in the charge to the Consolidated Statement of Comprehensive Income, in relation to contingent acquisition payments treated as remuneration under IFRS. There was also a one-off £2.1m charge in relation to impairment of right of use assets in relation to Worcester, Leicester and Newbury offices where offices have been relocated or merged into other Group offices. This has enabled us to focus on rationalisation of the property portfolio. There were also higher levels of transaction related costs and contract termination costs given the larger acquisitions completed during the year compared to the prior year.

Taxation

The taxation charge for the year is £4.7m (FY24: £5.0m) made up of a current tax charge of £4.9m (FY24: £5.2m) partially offset by a deferred tax credit of £0.2m (FY24: £0.2m) giving an increased effective rate of tax for the Group of 38% (FY24: 34%). The increase in effective rate compared to prior year and compared to the UK corporation tax rate of 25% is due to increased disallowable expenses, mainly contingent acquisition payments.

The effective rate of tax on the underlying profit of the Group is 27% (FY24: 26%).

Earnings per share (EPS)

Basic EPS in the period decreased by 23% to 8.83p per share (FY24: 11.47p per share) due to the reduction in reported profits after tax driven by the increased non-underlying costs as explained above. To aid comparison of EPS on a like for like basis, underlying EPS* has also been calculated based on the underlying profit after tax, calculated as set out below.

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Operating profit before non-underlying charges and amortisation on acquired intangibles	**34,088**	30,172
Investment income	**58**	–
Finance costs	**(6,445)**	(4,939)
Finance income	**302**	89
Underlying profit before tax*	**28,003**	25,322
Taxation – underlying	**(7,448)**	(6,598)
Underlying profit after tax*	**20,555**	18,724

The underlying basic EPS* has increased by 10% to 23.95p for the year (FY24: 21.81p). The weighted average number of shares used to calculate the basic EPS in the year was 85,813,426.

Considering the dilutive impact of potential share options, the diluted EPS for FY25 is 8.43p per share (FY24: 11.11p per share). Underlying diluted EPS has increased by 8.3% to 22.88p per share (FY24: 21.13p per share).

Dividend

The Board continues to adopt a progressive dividend policy balanced with its commitment to continue to invest in the future growth potential of the business. Subject to approval at the Annual General Meeting in October 2025 the Board proposes a final dividend of 3.05p per share. This together with the interim dividend of 1.76p per share brings the total dividend in respect of FY25 to 4.81p per share (FY24: 4.40p per share) representing an increase of 9.3%.

* See Glossary on pages 143 – 146.

Balance Sheet

	30 April 2025 £'000	30 April 2024 £'000
Goodwill and intangible assets	**105,873**	86,900
Right of use assets	**46,635**	34,034
Investment in joint venture	**111**	50
Loan to joint venture	**2,000**	2,523
Property, plant and equipment	**23,685**	14,896
Assets and liabilities held for sale	**394**	–
Working capital	**64,640**	53,125
Other provisions and deferred tax	**(20,272)**	(14,590)
Lease liabilities net of lease receivables	**(52,529)**	(38,573)
	170,537	138,365
Cash and cash equivalents	**5,853**	5,453
Borrowings	**(70,682)**	(40,617)
Net debt*	**(64,829)**	(35,164)
Deferred consideration	**(1,175)**	(2,941)
Net assets	**104,533**	100,260

The Group's net assets as at 30 April 2025 increased by £4.2m to £104.5m (FY24: £100.3m) primarily reflecting profit for the year net of dividends paid in the period being £3.9m and £0.6m relating to the net impact of share based payment movements and purchase of own shares into the Employee Benefit Trust incorporated in the year. The key movements in the Balance Sheet are discussed in more detail below.

Goodwill and intangible assets

Goodwill and intangible assets include £32.8m of intangible assets relating to the Knights brand and customer relationships from current and prior year acquisitions. Purchased computer software amounts to £0.2m with the remaining balance of £72.9m relating to goodwill from acquisitions.

The Board carries out an impairment review of goodwill each year to ensure the carrying value in the financial statements is supportable. The value in use of the goodwill was calculated using a number of different scenarios, some of which assumed a considerably more negative outcome than is anticipated by the Directors. In all instances, the future trading of the business was more than sufficient to justify the carrying value of goodwill. Therefore, as at 30 April 2025, the Board is satisfied that the goodwill was not impaired.

Investment in, and loan to joint venture

The investment in joint ventures includes £0.08m relating to the joint venture with Convex entered into in FY24 (being the initial £0.05m invested plus share of assets recognised in the year) and £0.03m relating to a joint venture with Kubera Wealth acquired as part of the IBB Law LLP acquisition in the year.

Property, plant and equipment

During the year, the Group has continued to invest in its property infrastructure and business platform ensuring that the platform is well able to support our future growth plans.

We continued to invest in our technology and IT systems, investing £2.2m in the year (FY24: £1.4m).

During FY25 we have also continued to invest in our property portfolio, refurbishing existing and acquired offices to ensure we offer the same high quality grade A office space across the Group. Investment in the refurbishment of offices was higher than normal in FY25 at £9.6m mainly driven by the refurbishment of our central hub in Stoke where we invested £5.8m. Our central hub is key to us working as one team and allows us to collaborate with and train our colleagues in a high-quality central location which we consider key to cementing and developing our one team culture. As we grow our office footprint through organic openings and acquisitions, providing high quality space will remain a key differentiator to our regional competitors.

This investment in property and technology together with assets acquired as part acquisitions, net of disposals and depreciation has resulted in a net increase in our tangible fixed assets of £8.8m to £23.7m as at 30 April 2025 (30 April 2024: £14.9m).

Working capital

Working capital is calculated as follows:

	30 April 2025 £'000	30 April 2024 £'000
Contract assets	**50,998**	40,191
Trade and other receivables	**39,552**	32,753
Corporation tax receivable	**882**	304
Total current assets	**91,432**	73,248
Trade and other payables	**(26,662)**	(19,935)
Contractual liabilities	**(130)**	(188)
Total current liabilities	**(26,792)**	(20,123)
Net working capital	**64,640**	53,125

Net working capital has increased to £64.6m as at 30 April 2025 (30 April 2024: £53.1m), an increase of £11.5m or 22% from the prior year. This increase is mainly driven by additional working capital from acquisitions together with an increase in contract assets at the year end. Based on run rate revenues for FY25 of £181m and FY24 of £150m (taking account of the full year impact of acquisitions) working capital represents 35.7% of revenue in FY25 compared to 35.4% in FY24.

Trade and other receivables as a percentage of run rate revenue have increased slightly to 22.0% (FY24: 21.8%) due to increases in prepayments driven by timing of invoices received pre year end. Trade and other payables have also increased as a percentage of run rate revenue mainly due to accruals inherited from the acquisition of IBB Law LLP.

Contract assets have increased by £10.9m to £51.0m as at 30 April 2025 (30 April 2024: £40.1m). The main reasons for the increase in contract assets are the acquisitions completed during the year, which added £6.3m of contract assets at the point of completion, and the continued growth of our CL Medilaw business, which holds higher levels of work in progress than the rest of the Group due to the nature of work done. Despite the increase in total contract assets in the CL Medilaw business, the total level of contingent work in progress at the year end has decreased marginally compared to the prior year.

The management of working capital continues to be a fundamental KPI for the Group with strong systems and controls in place to manage the levels of trade receivables and work in progress across the Group. The time taken to convert a unit of time incurred into cash is reported as the number of lock up* days for the Group and is a KPI monitored by the Board, Client Services Directors and wider management team. As at 30 April 2025 lock up* was 86 days (30 April 2024: 78 days), an increase of 8 days from the exceptional result achieved in FY24 but still in line with FY23, 87 days, and FY22, 86 days, and our internal target of 90 days.

Due to the disproportionate amount of time that it takes to conclude certain types of work, such as our CL Medilaw, Real Estate Investment and Insolvency matters these work types are excluded from our WIP days calculation as exceptions, so as not to distract the majority of the Group from focussing on achieving its excellent lock up* days. If WIP days were calculated including all valued WIP of the Group this would give WIP days of 81 and hence total lock up with no exclusions of 113 days as at 30 April 2025 (30 April 2024: 113 days).

The bad debt charge for the year has increased to 0.8% (FY24: 0.3%) as a result of a large one-off write off during the year (£0.6m) due to an insolvency event.

Right of use assets

The right of use assets capitalised in the Consolidated Statement of Financial Position represents the carrying value of property, equipment and vehicle leases. The increase in the value of right of use assets during the year to £46.6m, from £34.0m as at 30 April 2024, resulted from an increase in assets of £23.4m relating to new leases acquired through acquisitions and the relocation of existing offices to new properties, less disposals and impairment of £5.5m as we terminate existing leases and sublet excess space as part of our ongoing review of the property portfolio, less depreciation of £5.3m for the year.

Lease liabilities net of lease receivables

Lease liabilities net of lease receivables represents the present value of the total liabilities recognised in respect of the right of use assets, net of the present value of all amounts receivable in respect of any subleases of these assets.

The increase in net lease liabilities and receivables in the year to £52.5m from £38.6m as at 30 April 2024: £38.6m, is the net impact of receipts and payments made on existing lease agreements together with the increase in new leases entered into during the year and leases acquired, net of disposals and lease impairments recognised during the year.

* See Glossary on pages 143 – 146

Cash conversion*, net debt*, financing and leverage

Cash generation continues to be a key focus for the Board and management team. The Group measures cash by comparing the free cash flow from operations as a percentage of its underlying profit after tax*. As a result of the continued focus on this and specifically the management of lock up*, the Group generated underlying cashflows before capital expenditure of £26.7m during year equating to a cash conversion of 130%.

Cash flow

	Year ended 30 April 2025 £'000	Year ended 30 April 2024 £'000
Underlying EBITDA*	**42,928**	38,682
Change in working capital	**(5,121)**	(3,549)
Cash outflow for IFRS 16 leases	**(6,515)**	(6,245)
Movement in underlying share-based payment charge	**1,195**	1,121
Cash generated from underlying operations (pre-tax)	**32,487**	30,009
Tax paid	**(5,820)**	(5,432)
Net cash generated from underlying operating activities	**26,667**	24,577
Underlying profit after tax	**20,555**	18,724
Underlying cash conversion	**130%**	131%

The strong cash generation in the year has resulted in net debt* of £64.8m at the year end (30 April 2024: £35.2m) despite a cash outlay of £25.1m relating to acquisitions and investments in the year along with deferred and contingent acquisition payments paid for acquisitions in prior years. The continued strong cash conversion has also enabled us to invest £11.8m in our property portfolio and systems to ensure we continue to provide high quality infrastructure to support our premium service delivery and future growth strategy.

During the year the business implemented an Employee Benefit Trust to purchase shares in the market. An amount of £0.6m was invested in this during the second half of FY25.

The table below shows a reconciliation of the key cashflows impacting the movement in net debt in the year.

	Year ended 30 April 2025 £'000
Net debt 30 April 2024	**35,164**
Other net cash (inflows) from operating activities	**(26,764)**
Deferred and contingent acquisition payments	**5,187**
Consideration paid for acquisitions in the year (including acquired debt and cash)	**25,145**
Unpaid acquired debt	**1,104**
Non-underlying costs paid	**5,366**
Interest on borrowings	**3,901**
Purchase of own shares	**598**
Dividends paid	**3,903**
Associated lease costs	**264**
Disposal of assets held for sale	**(141)**
Joint venture loan capital and interest received	**(734)**
Capital expenditure (net of landlord contributions)	**11,836**
Net debt 30 April 2025	**64,829**

In November 2024 we renewed and extended our revolving credit facility (RCF) to £100m, committed until November 2027. As at 30 April 2025 the Group has c.£30m headroom in the RCF and is well within all covenants. For banking purposes our leverage as at 30 April 2025 was 1.6 times EBITDA (as defined for covenant purposes). Interest is payable on the loan at a margin of between 1.65% and 2.55% above SONIA dependent on leverage.

The Group is therefore in a strong financial position with sufficient headroom and flexibility within our financing arrangements to enable us to continue to execute our growth strategy.

Capital expenditure

Capital expenditure (net of landlord contributions) during the year was £11.8m (FY24: £7.9m). The increase in the amount spent in the year compared to the prior year is due to the continued review of our property portfolio and the refurbishment of existing and acquired office space as we continue to consolidate our existing portfolio where appropriate, whilst also investing in new and existing space to provide Grade A offices ensuring colleagues benefit from a high-quality working environment. During FY25 we undertook a significant one-off refurbishment of our Stoke central Hub at a cost of c.£5.8m and therefore although we will continue to invest in our IT infrastructure and our property portfolio in FY26 and the medium term, we anticipate capital expenditure to reduce to a more normalised level of c.£6m.

Acquisitions

During the year we completed two acquisitions and also acquired another joint venture as part of the IBB Law LLP acquisition. The table below summarises the impact of these acquisitions and prior acquisitions on the cashflows during the year and in future years. This shows the consideration payable net of any cash in the acquired business.

Financial year ended	Acquisitions of subsids (net of acquired cash) £'m	Repayment of debt acquired with subsids £'m	Expected contingent & deferred acquisition payments £'m	Expected net cash impact of acquisitions pre year end £'m
2025	**25.0**	**0.6**	**5.2**	**30.8**
2026	–	1.0	6.2	7.2
2027	–	0.3	5.0	5.3
2028	–	0.2	4.7	4.9

The above includes estimated contingent acquisition payments disclosed as remuneration in the Consolidated Statement of Comprehensive Income.

Summary

Results for the year to 30 April 2025 reflect a year of continued consolidation and acquisitive growth. We have seen acquisitive growth during the year together with improvements in underlying profitability. Our increasing scale and diversity have provided good resilience against a continuing uncertain macro-economic environment. The reducing churn levels and continued investment in recruitment and business development places the Group in a strong position for the coming year.

Our continued excellent management of cash and extension of our banking facilities has resulted in a strong Balance Sheet with sufficient headroom in our banking facilities to fund future investment and growth.

Kate Lewis
Chief Financial Officer

12 September 2025

* See Glossary on pages 143 – 146.

The management team uses key performance indicators ('KPIs') to monitor the Group's performance against its strategic objectives. These comprise financial and non-financial measures which are agreed and monitored by the Executive and Group Board.

The financial indicators are generally calculated based on underlying results excluding any one-off transactional and acquisition related costs as these underlying KPIs provide a more meaningful comparison of the ongoing key drivers of the Group's financial success.

The overarching focus of the Board is on overall growth in fee income and profitability, with a view to improving the profit margins achieved across the business whilst still maintaining a well invested business with a strong management and support function able to meet its evolving needs.

The key financial measures are discussed in more detail in the Finance report on pages 47 – 54.

Financial KPIs

Revenue

£162.0m

FY24: £150.0m
FY23: £142.1m

Profit before tax

£12.3m

FY24: £14.8m
FY23: £11.5m

Underlying profit before tax*

£28.0m

FY24: £25.3m
FY23: £21.6m

Basic EPS

8.83p

FY24: 11.47p
FY23: 9.28p

Underlying profit before tax margin*

17.3%

FY24: 16.9%
FY23: 15.2%

Underlying EPS*

23.95p

FY24: 21.81p
FY23: 20.20p

Financial KPIs continued

Gross profit

50.5%

FY24: 48.8%
FY23: 48.5%

The Group has a long-term gross profit target of circa 50%. This varies over time dependent on the number and cycle of new fee earning recruits into the business. In general, new recruits into the business take 6 – 12 months to be at full run rate fee income. Therefore initially, new recruits have a negative impact on Group gross margin.

Cash conversion*

130%

FY24: 131%
FY23: 117%

The Group continues to deliver excellent cash conversion which is an important KPI for the board and has resulted in a strong balance sheet despite acquisition related payments and investment in property during the year. This is described in further detail on page 53 of the Finance report.

Net debt*

£64.8m

FY24: £35.2m
FY23: £29.2m

Monitoring of net debt is key to the Group to ensure sufficient headroom to invest in its growth strategy. With a RCF facility of £100m the Group has headroom of circa £30m at the year-end giving sufficient capacity for future investment in acquisitive and organic growth.

Number of fee earners*

1,002

FY24: 1,037
FY23: 1,077

This represents the average number of full-time equivalent fee earners ('FTE') employed by the Group during the year. It includes all organic recruits, joiners via acquisition less leavers during the period. Despite two acquisitions during the year, the average number of fee earners during the period has reduced reflecting the timing of acquisitions part way through the year and higher churn in the first half of the year together with a reduction in employees in our volume remortgage business, due to the current macroeconomic environment. With reduced churn in the second half of the year, increased recruitment and all employees from acquisitions during the year, the actual full time equivalent number of fee earners as at the 30 April 2025 is 1,157 (30 April 2024: 964).

Fee earner to support ratio*

3.8:1

FY24: 3.6:1
FY23: 3.9:1

The above represents the average ratio of fee earners to non-fee earners during the year. The improvement in the ratio over the year reflects the leverage of support functions as we centralised support services during the prior year. The ratio fluctuates during the year as we continually invest in Group support functions to provide a sustainable base for our growth ahead of acquisitions and growth. Looking at the position as at the year end, the impact of the growth in fee earners from acquisitions along with the centralising of acquired support functions has resulted in further leverage of the ratio to 4.1:1 at 30 April 2025 (30 April 2024: 3.6:1).

Fees per fee earner*

£162k

FY24: £145k
FY23: £131k

This represents the average fees per fee earner across the whole Group and mainly reflects improvements in pricing and recovery of time spent across the business.

The reported figure includes the results of Integrar (our volume remortgage business) which has a different operating model. Excluding this the fees per fee earner are:

£170k

FY24: £155k
FY23: £142k

* See Glossary on pages 143 – 146.

Debtor days*

31 days

FY24: 28 days
FY23: 30 days

The exemplary financial management and credit control policies in place across the Group continue to deliver excellent results in maintaining low debtor days which in turn helps to generate the strong cash conversion year on year. Debtor days are measured on the year end trade receivables balance (excluding unbilled disbursements, expenses and VAT) as the number of days revenue, based on bills raised in the preceding periods.

Lock up days*

86 days

FY24: 78 days
FY23: 87 days

Lock up measures the total time to convert a unit of time spent on a matter into cash. It is discussed further in the Finance report on page 52

The measure excludes WIP on clinical negligence, insolvency and real estate investment matter types as these work to a different lock up profile than the rest of the business.

Including all valued WIP* in the lock up calculation would result in lock up days of 113 as at 30 April 2025 (30 April 2024: 113 days).

Client NPS score*

+47

FY24: +62
FY23: +64

The NPS score measures the loyalty of our client base with a score from -100 to +100. A result of 47 shows very strong customer loyalty amongst the top 250 clients surveyed.

Employee NPS score*

+59

FY24: +15
FY23: +20

The NPS score measures the satisfaction of our employees by asking if they would recommend Knights as a place to work with a score from -100 to +100. The significant improvement in the ENPS score in the period is reflected in lower churn figures in the second half of the year and reflects the focus by the leadership team on high engagement with all colleagues, underpinned by strong communication, a focus on our people and their career development, all supported by our premium offices, enhanced benefits packages and a high level of internal social activity across the business.

Carbon usage

0.90

FY24: 0.63
FY23: 0.59

The above measure shows the intensity ratio of carbon usage per employee measured in tonnes of CO_2 per employee. Our carbon usage ratio has increased during the year as a result of acquisitions adding further offices to our portfolio covering a larger geographical area. We continue to monitor our impact on the environment, rightsizing our property portfolio as appropriate whilst ensuring that we are making continual improvements to our premises to work towards our ESG targets as set out on page 43.

Principal risks and uncertainties

Many of the risks faced by the Group are similar to those risks faced by many other businesses and due to the nature of the business are ongoing risks which will continue to affect the business year on year. The principal risks and uncertainties outlined in this section reflect those risks that, in the opinion of the Board, might materially affect the Group's future performance, prospects or reputation.

Risk management processes

The Executive Board, supported by the Group's General Counsel, has management responsibility for risk and internal control. The Board sets our overarching risk culture and appetite reviewing our risk register and incident reporting processes and risk thresholds bi-annually and ensuring that we manage risk appropriately across the Group.

At a functional level, each operational business function is responsible for preparing and maintaining their risk register and, with the assistance of the risk team, identifying, assessing, managing and monitoring current and emerging risks within their function. Each risk is assigned an owner through which ongoing activities, control measures and any mitigating actions related to that risk are updated, whilst always applying the agreed risk appetite set by the Board.

Given that the very nature of our business requires our professionals to advise our clients on risk, our risk management culture is firmly embedded throughout our business with self-reporting mechanisms in place in each operational business function and amongst our professionals.

Principal risks

Professional liability and uninsured risks — **Change in risk:** No change

Description	Mitigation
The Group provides legal and professional services which give rise to the potential liability for negligence, breach of regulatory duties or other similar third-party claims. Such claims have the potential to cause financial loss and could also negatively impact the reputation of the Group which ultimately could adversely affect the financial performance of the Group.	The Group maintains comprehensive professional liability insurance to reduce or mitigate against any financial risk from claims that may be made. Potential claims and complaints are dealt with by a central team within the business to ensure that they are handled effectively, and in line with the Group's policies and procedures. The Claims team works closely with insurers, the relevant regulatory bodies and the Client Services Directors within the business to proactively identify and minimise risk. The processes and procedures implemented by the business are continually reviewed and amended to consider up to date guidelines and advice, which are then communicated to the professionals within the business. The Group's professional duties to its clients are of paramount importance and the Board considers that the business has appropriate processes and procedures in place with a good overall claims history.

Key: No change Increasing

Regulatory and compliance risk

Change in risk: –

Description

The legal sector is heavily regulated and the business is required to comply with rules imposed by the Solicitors Regulation Authority ('SRA'), Information Commissioners Office ('ICO'), Financial Conduct Authority ('FCA') and AIM amongst others. Non-compliance with any regulations could result in reputational damage to the business and may have financial implications.

Employee misconduct and litigation.

As a professional services provider, the Group is exposed to the risk that personnel may engage in misconduct or improper use of confidential client information. Such misconduct could damage the Group's reputation or result in regulatory sanctions and financial damage.

Restrictions imposed by the Legal Services Act 2007 ('LSA') Knights Group Holdings Plc is a Licensed Body. The LSA places restrictions on the holding of 'restricted interests' in Licensed Body law firms so that the maximum shareholding that can be held, without prior SRA approval, by a non-lawyer shareholder is 10 percent of the issued share capital. If a non-authorised shareholder were to obtain a shareholding in excess of 10% of the issued share capital this would be classed as a criminal offence and the SRA could force divestment or revoke the Licensed Body status of the Group.

Mitigation

The Group has a strong Compliance and Regulatory team which regularly monitors compliance with all necessary regulations with external advice being obtained if required. The Board is updated on material regulatory developments and any reassessment of risk to the business so that it can ensure that such matters are fully considered in all business and strategic decisions.

The Group aims to ensure that colleagues are appropriately trained, supervised and incentivised to ensure their behaviour and activities do not inadvertently result in poor outcomes for clients. Regular reviews of our training programme are undertaken in order to ensure that all mandatory training is completed and the training programme provided remains current in accordance with industry and legal requirements and best practice.

Knights is ISO 27001 accredited following international best practices for information security management, in addition to being Cyber Essentials Plus certified.

The Compliance and Finance teams undertake regular audits of files and the group maintains robust processes to mitigate the risk of fraudulent transactions.

The Compliance team works closely with the SRA to ensure there are no breaches and proactively liaises with the SRA on a bi-annual basis regarding upcoming thematic reviews, challenges and operational matters within the sector.

The shareholder register is reviewed regularly with the Compliance team working with shareholders to obtain appropriate authority from the SRA if there is the expectation that their shareholding may exceed 10%. A note is included on the company's website explaining the requirement, to prevent a shareholder inadvertently exceeding the 10% threshold without seeking SRA approval.

Operational financial risk

Change in risk: –

Description

Like all professional services businesses, the key areas of operational financial risk for the Group include:

- incomplete recording of time worked by professionals in the provision of services to clients;
- incorrect valuation of contract assets (unbilled revenue); and
- failure to collect monies owed to the Group from its clients for work performed on their behalf or expenses incurred while performing the work.

Mitigation

The Group prepares an annual budget on a bottom-up basis. The budget is phased on a monthly basis and includes specific assumptions relating to number of fee earning professionals; number of client hours per day and the recovery rate for the work done.

Each month, the actual performance of the Group is compared to the budget and the prior year period and material variances are investigated. This control allows management to identify potential areas of risk and to take appropriate corrective actions.

Contract assets are valued monthly by the responsible fee earner. Once complete, this valuation is analytically reviewed to ensure it is appropriate and in accordance with expected recovery levels.

The Group's standard credit terms are 30 days from date of invoice.

The Group aims to collect all receivables in accordance with these terms. Debtor days and aged unpaid bills are monitored continuously to ensure that monies owed to the Group are collected on a timely basis. The Group has a robust system in place for chasing overdue debts, the effectiveness of which is demonstrated by its industry leading low levels of debtor days.

Continuous training and engagement is undertaken with all colleagues by the senior management team regarding each of these areas of financial risk.

Employee risk

Change in risk: No change

Description

Being a 'people' business, the ability to attract and retain suitably qualified and experienced employees is critical to the Group's success. There is strong competition in the marketplace for employees and any difficulties in attraction and retention of quality and experienced employees could impact on the Group's ability to deliver the financial forecasts.

The Group's future success and strategy is dependent on the performance and retention of the Executive Directors and senior management team. The loss of a key individual or the inability to expand the senior management team as the business grows could negatively impact the reputational and financial performance of the Group.

Mitigation

The Group has a continual focus on recruitment with recruitment being led by senior management, supported by an in-house recruitment team. The Group offers competitive remuneration and benefits packages, flexible working conditions and a collaborative team culture, allowing individuals to maximise their job satisfaction and work-life balance.

The Executive Board and management team engages regularly with employees to ensure that they understand the drivers and strategy of the business, feel involved in the growth opportunities available to the business as a whole. This helps to reinforce the transparent and collaborative culture, Regular peer group, team and one to one engagement is undertaken across the business both with local Client Services Directors and the executive board. The Group continues to develop its intranet to enhance internal communications across the Group and regularly collects employee feedback. Please see page 146 of the report which explains our employee net promoter score demonstrating a secure and engaged workforce.

Employee contracts include appropriate provisions to protect the business where possible.

An extensive training programme is in place for all employees allowing access to systems, skills and technical training resources.

The Board is responsible for the implementation of succession plans for the business to ensure that the management structure in place is sufficient to support the future growth of the business. During the year the Board has assessed that the optimum number of offices that a Client Services Director should be responsible for is between two and three and the management team has been working to achieve that. Additional Client Services Directors have been appointed during the year with the intention to recruit further Client Services Directors in the next financial year to prepare the business for the next stage of growth and to ensure that the leadership team has sufficient depth to continue to support the integration of acquisitions.

Acquisition risk

Change in risk: No change

Description

A key part of the Group's strategy is to expand the business through culturally aligned, earnings enhancing acquisitions.

The Group could overpay for, fail to integrate, or not achieve the expected returns from an acquisition.

The Group may also fail to identify potential acquisitions to support its growth strategy.

Mitigation

The Group has an experienced in-house acquisitions team with a strong track record for identifying, executing and integrating earning enhancing acquisitions.

The acquisition team complete a robust due diligence exercise with external advice being sought where necessary. Warranties and indemnities are obtained from the sellers on each acquisition as appropriate. All acquisitions are reviewed and approved at Board level with the Board recognising that strong cultural integration is key to the success of every acquisition. The Group has developed a full integration plan for its acquisitions which is under continuous review and refinement and which is underpinned by learnings from each of its previous acquisitions. This plan is tailored to account for any nuances (such as additional practice areas) applicable to any target firm. The management team ensure that early in person meetings take place with acquired colleagues to keep colleagues fully informed of each stage of the integration process and help acquired colleagues understand more about the business which assists in the cultural integration process.

The Board considers that the professional services market will continue to consolidate providing sufficient acquisition opportunities to support its growth strategy.

Key: No change Increasing

Macro and micro economic environment risk	Change in risk: –
Description	**Mitigation**
Current uncertainty in the market as a result of:	The Board believes its exposure to both macro and micro economic environmental factors is limited because;
political instability in Ukraine, the Middle East and political uncertainty in the US;	The Group has processes in place to continually monitor any exposure to countries with sanctions and is satisfied that there are no areas of concern. The Group's operations are based in the UK.
general economic downturn;	Within the Group there is no reliance on any one practice area, client or professional resulting in the business being resilient and well positioned to withstand the effects of economic headwinds that might impact particular sectors or the broader economy.
the potential for disruptive technology driven innovation that could impact the competitiveness of current service offerings; and	On an ongoing basis, the Group seeks to be an innovation leader through its use of technology to create a competitive advantage. The Group's continued focus on cash collection results in it being able to invest in technology and its IT development team to maximise opportunities for automation and efficiencies throughout its operations.
many potential competitors within the legal and professional services market competing for the Group's professional employees and clients.	The Group expects current macroeconomic conditions, the decreasing appeal of the traditional partnership or structure of many law firms, which often requires personal investment from partners and the ever-increasing regulatory framework applicable to legal services to support the recruitment strategy of the Group. The Group's well-established corporatised model along with the increasing scale and quality of professionals and clients allows experienced professionals to earn a competitive salary and undertake high quality work without the need to have capital at risk. The Group is evolving its internal feedback processes in order to ensure that colleagues needs can be met and feedback is considered at board level to ensure high levels of colleague retention. See our eNPS score of +59 at page 31 of this report. The Group seeks to be the leading professional services provider in the UK regions providing a premium service experience to its clients to ensure that clients choose to use the Group for all of their legal needs. To achieve this colleagues are encouraged to collaborate across office and across service lines to ensure that clients receive the best service at the right level of experience with swift proactive service delivery, and Client Services Directors work closely with colleagues to maintain these service levels across the business.

Reputation and brand risk

Change in risk: No change

Description

Knights brand and the reputation of the Group and its professionals are driving factors behind the success of the Group. Anything that damages the Group's brand or reputation could negatively impact the future success of the business.

Damage to the Knights brand could have a detrimental impact reputationally which ultimately could have financial implications for the Group.

Mitigation

Management has in place processes to ensure that all work is undertaken in accordance with the Code of Conduct and Professional Ethics. New clients and matters go through an internal acceptance process that includes a comprehensive risk assessment which is under continual development to ensure that all aspects of risk are considered. This includes the potential impact of each engagement on the Group's integrity and reputation. Regular internal audits are undertaken to identify areas of non-compliance with our policies and procedures.

The employment contracts for all employees also contain appropriate provisions regarding the standards expected and preservation of confidential information.

An open, candid and non-hierarchical culture is nurtured whereby all colleagues are expected to behave in accordance with the internal processes and standards in place.

The Group takes appropriate steps to protect its intellectual property rights.

Corporate profile is a key part of the Board's strategy and external public relations advisers are engaged to assist where necessary. The Group continues to closely monitor press communication ensuring that it continues to respond quickly to press activity in line with the agreed strategy to mitigate any brand/reputational damage.

Information systems, data security and cyber risk

Change in risk: Increasing

Description

The Group is heavily reliant on its information technology systems for all day-to-day processes. A major IT system failure, a malicious attack, data breach, vulnerabilities created by AI or a virus could impact the ability of the Group to operate having both reputational and financial implications.

Because of the complexity and speed of development of AI solutions it becomes harder to identify in an effective and timely manner existing risks which become enhanced because of new technologies.

The risk of a cyber-attack continues to increase within the professional services sector as it does for all businesses operating using technology. The key risk to the Group is from the potential of malicious hacking of IT systems creating risks to the confidentiality of client data, potential related ransom attacks and interception of emails providing incorrect payment details for client and office account payments.

Mitigation

The Group's systems are supported by appropriately qualified and experienced individuals and third parties. External advice and support is sought when necessary and the Group has in place both an internal and external IT security team who seek to provide resolutions in respect of any incidents or near misses, horizon scan for trends in the cyber security sector and undertake threat assessments in relation to real world incidents.

The Group is ISO 27001 accredited in respect of its information security management standards. Critical systems failure and recovery are regularly tested, and no issues have been identified.

The management team liaise regularly with their key suppliers and its internal development resource to continuously improve and develop the operating systems utilised by the Group to reflect efficiencies and to maximise new opportunities for development.

External advisors undertake full regular penetration tests on the Group's systems and work to ensure that the security and integrity of the Operating System is at its optimum level mindful of new and emerging technologies which may make traditional technology solutions subject to heightened risk.

Knights' information security awareness training helps colleagues to identify and prevent fraud/misuse of information and this training is regularly updated to ensure that where certain risks are increased due to environmental factors (such as cybercrime and ransomware attacks), the business and colleagues are aware of any heightened risk.

Knights has rigorous processes in place for checking and verifying all bank details before any payments are made. All staff are aware of the checks that need to be carried out and the finance team have regular additional training on potential cyber risks related to bank payments.

Beyond training, Knights' open culture and team ethos delivers a supportive, high communication environment which ensures colleagues can ask questions and be guided as required, which results in regular monitoring and reporting.

Key: No change Increasing

Emerging Risks and uncertainties

The Group defines emerging risks as, generally external, new or unforeseen risks, that may affect the business in the longer term (over 5 years). The impact of the risk may be material to the Group but is currently difficult to quantify. The Board continues to monitor the issues surrounding any emerging risks identified to ensure that the Group is taking a proactive approach to mitigating the impact of any of these risks.

Sustainability, climate change and reporting requirements	Change in risk: –
Description Focus on environmental, social and governance matters continues to increase and our business needs to be environmentally responsible and create shared value for all stakeholders to ensure sustainability and reinforce our values. Climate risk is a key priority for governments and organisations globally, and Knights recognises that it needs to play its part in reducing carbon emissions and its environmental impact. Although there are no significant revenue streams derived directly from energy and fuel markets, as the UK transitions to a net-zero carbon emission economy by 2050, we need to closely monitor the impacts on our business to ensure there are no indirect impacts through client relationships and that our revenue streams remain sustainable.	**Mitigation** The Executive Board have overall accountability for our climate and social responsibility agendas. We align our business strategy and decision-making processes with reducing carbon emissions, and continually assess our approach to environmental risk and social responsibility. In addition the Group undertake ongoing horizon scanning in anticipation of any new regulatory requirements concerning ESG compliance in order that the business can be proactive in its response and actions. We have a breadth of policies and processes governing our social responsibility strategy and continually assess and evolve our strategy, working practices and supply chain arrangements to ensure the best outcomes for stakeholders and the environment. The Group have engaged an external consultant to assist with the management of any risks and are in the process of compiling science-based targets which will be measured against and monitored.

The strategic report and the information referred to herein was approved on behalf of the Board on 12 September 2025.

Kate Lewis
Chief Financial Officer