



Powering Predictive Operations

Annual Report and Accounts 2026

Checkit's mission is to eliminate operational waste by evolving standard operating procedures into Predictive Operations, thereby ensuring compliance, maximising productivity, and unlocking new value opportunities at scale.

Our business model combines a cloud-based platform, integrated sensors, and mobile capabilities.

The Checkit **platform** provides the capabilities and intelligence to drive automation, analytics, and operational predictability.

Integrated sensors capture real-time data from physical environments, enabling seamless data logging, precise accuracy, and operational **scalability** of use cases and automation.

Mobile capabilities enable a connected frontline workforce, aligning operational procedures and protocols while delivering value to customers with **simplicity** in mind.

Our value proposition derives from combining **predictability** through data-driven insights, scalability via integrated sensors and use cases, and **simplicity** through intuitive mobile applications – enabling customers to establish, evolve, and expand Predictive Operations.

Financial highlights

Annual Recurring
Revenue (ARR)¹

£14.3m +2%

(FY25: £14.4m, or £14.0m
at constant currency)

Recurring Revenue

£13.2m +2%⁴

(FY25: £13.1m)

Adjusted EBITDA²

£0.3m +113%

(FY25: loss of £2.3m)

Group Bookings³

£1.4m -34%

(FY25: £2.1m)

Total Revenue

£13.7m -2%

(FY25: £14.1m)

Net Cash

£3.0m

(FY25: £5.1m)

Operational highlights

EBITDA profitability achieved

£0.8m EBITDA profit generated in H2.

Core product UI/UX refresh

Launch of redesigned user interface and improved user experience.

Structural reduction in cost base

£4.0m cost reduction programme implemented, resulting in a cash generative H2.

High quality recurring revenue base

96% of total revenue recurring in nature, providing strong forward visibility supported by multi-year customer contracts.

¹ Annual Recurring Revenue (ARR) is defined as the annualised value of contracted recurring revenue from subscription services as at the period end, including committed annual recurring revenue from new wins. Constant currency comparatives are calculated using exchange rates prevailing at 31 January 2026.

² Adjusted EBITDA is the earnings from operating activities before depreciation and amortisation, share-based payment charges and non-recurring or special items.

³ Bookings are defined as the committed Annual Recurring Revenue ("ARR") of new sales wins contracted during the period

⁴ Recurring revenue on a constant currency basis, with FY25 revenue restated using FY26 average exchange rates, resulting in FY25 revenue of £13.0m

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Company overview

Checkit powers Predictive Operations for large facilities and multi-site organisations. By enabling them to move beyond reactive ways of working to automated data collection, digitised workflows, and AI-driven intelligence, we empower organisations to increase compliance, safety, and top-line revenue.

Our services are delivered to hundreds of customers worldwide, including Fortune 500 companies and public health organisations. Customers use Checkit to digitise manual processes with our highly configurable platform and top-of-the-line integrated sensors, enhanced by AI and ML. Our combination of software, connected sensors, and frontline workflow tools links digital intelligence directly to physical environments and deskless workforces. This integration enables practical, outcome-focused applications that enhance human decision-making, strengthen compliance, and optimise asset performance at scale.

Predictability + Scalability + Simplicity = Predictive Operations

Checkit is transforming how forward-thinking digital-first organisations execute frontline work, blending execution, automation, and intelligence across every business function.

We connect people, assets, and workflows to generate performance data that informs operational strategy, execution, and compliance. Our single-source digital solution is proven to unlock efficiencies at scale, driving down costs and risk while elevating service delivery at the frontline.

Predictive Operations delivers clarity to business leaders enabling them to see, understand, and optimise enterprise-wide processes and asset utilisation with ease.

Our customers include:

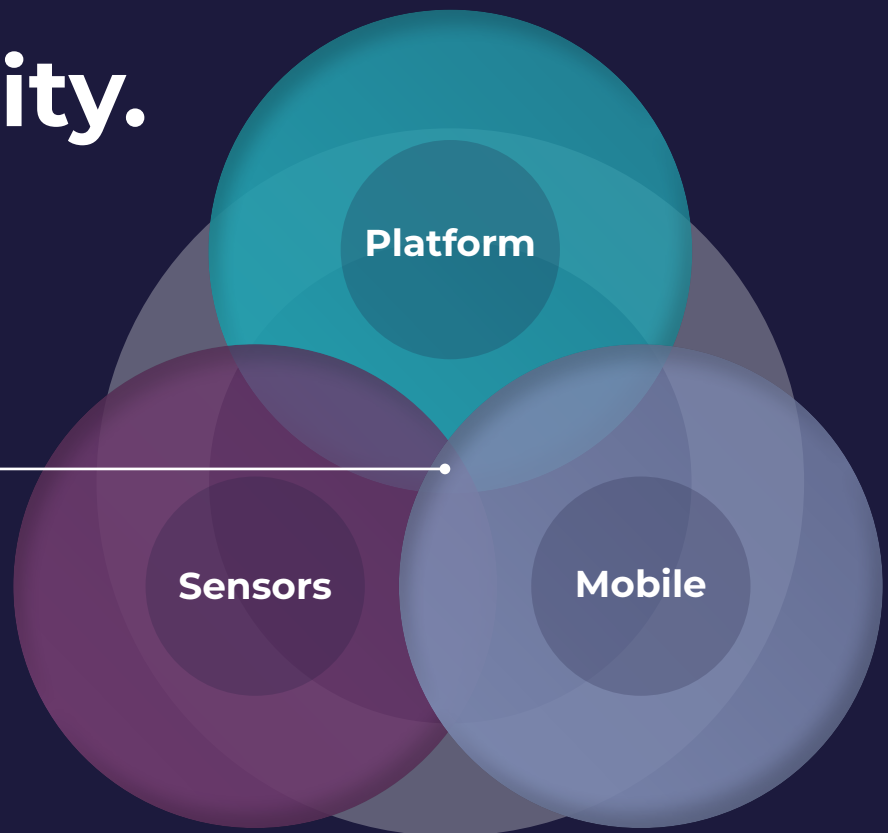
		 National Trust
GRIFOLS	octapharma	DISHOOM

Predictability. Scalability. Simplicity.

An end-to-end digital solution. ●

Predictive Operations

Operations provided by digitally enabled frontline workers and integrated sensors, drives value and impact from the outset. Checkit enhances activities performed by frontline workforces and increases asset utilisation efficiency through its end-to-end platform, built to help organisations become digital and data-first.



Sensors

- Top-of-the-line integrated sensors
- Effective, reliable and compliant technology
- Fully-installed and maintained by Checkit's team of experts

Platform

- Automated workflows and task management
- Monitors and analyses all mission-critical sensor data
- Real-time, pre-emptive digital alerts
- Advanced analytics and dashboards

Mobile

- Enable an organisation to move from manual labour dependency to a digitally-optimised automated workplace
- Responsive, experienced staff who know sensors and platform capabilities in multiple environments empowering reliable and stable operations

Investment case

Reasons to invest in Checkit

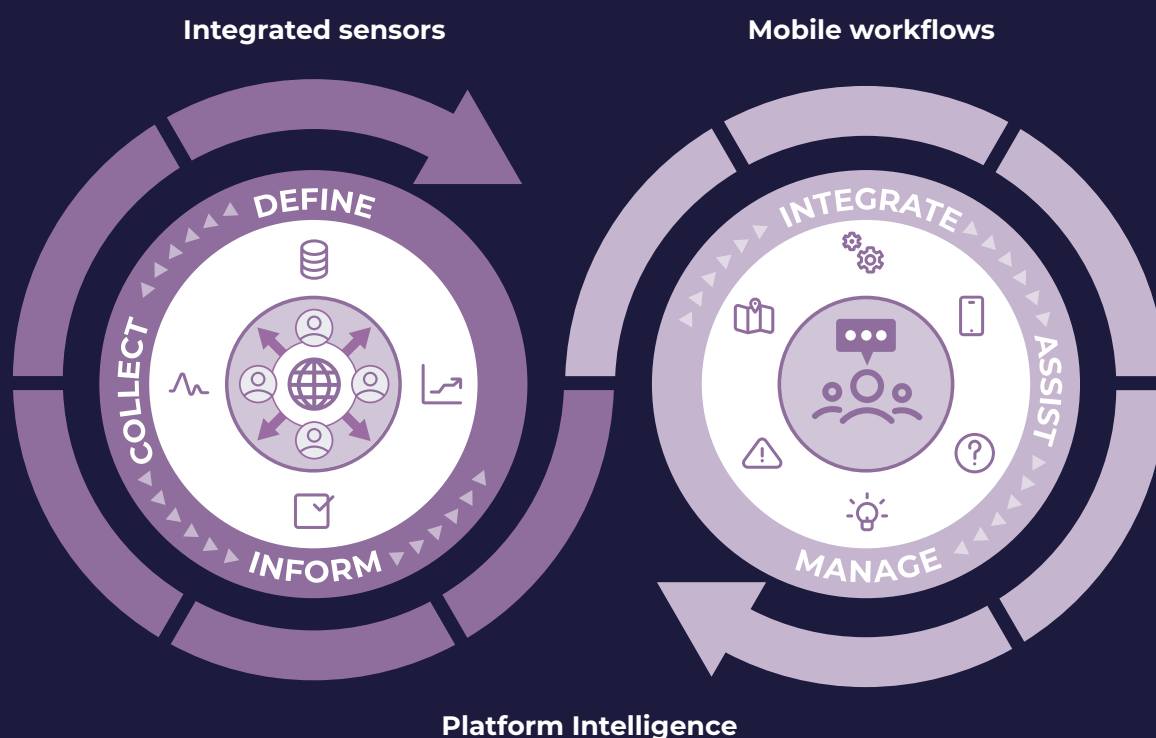
- Recurring revenue model with operating leverage opportunity
- Strongly improving EBITDA trend demonstrated over 3 years to 31 January 2026
- Differentiated technology combining IoT, workflow software and applied AI
- Established presence in the United States
- Focused on large vertical markets with high-quality customers

Guided workflow management, integrated sensor automation

Organisations are prioritising operational efficiency as rising costs and competitive pressure accelerate investment in the digital transformation of frontline operations. At the same time, advances in AI are reshaping expectations of software capability and value.

In this environment, purely digital, application-layer software models face increasing commoditisation pressure. Checkit operates in a structurally different segment of the market. Our platform is embedded within customers' physical operations connecting sensors, assets and frontline teams in regulated, asset-intensive environments. In these settings, AI enhances structured human workflows rather than replacing them.

By integrating continuous sensing, guided workflows and Asset Intelligence within a single platform, we connect digital intelligence directly to physical operations. This embedded position within customer processes underpins long-term relationships and durable recurring revenue.



Recurring revenue model with operating leverage

96% of revenues are recurring, underpinned by multi-year customer contracts that provide strong forward visibility. Having reached Adjusted EBITDA profitability, further revenue growth is expected to drive cash generation. Our combined hardware and software platform is embedded within customers' physical operations, supporting long-term contractual relationships and high renewal rates.

Differentiated technology using AI and ML

Our platform and integrated sensors provide real-time intelligence, supported by AI and ML capabilities that add value to staff workflows and asset health management. This enables managers to optimise working practices, unlocking productivity gains, enhancing customer service, and efficiently managing assets. As a result, costs are reduced, and wastage and emissions are minimised.

Positive EBITDA trend

L/EBITDA improved from negative £6.4m in FY23 to positive £0.3m in FY26

Established presence in the United States

Our focus is on scaling our business in the US while continuing to drive growth in the UK. Our 'land-and-expand' strategy has resulted in the US contributing over a quarter of the Group's annual recurring revenue.

Serving large customers and vertical markets

We focus on sectors such as hospitality, leisure, healthcare and retail. Our customers in leisure and retailing include National Trust, BP, and Tenpin. In the healthcare sector, customers include Octapharma, Grifols and the UK's NHS.

Recurring revenue



Non-Executive Chairman's statement

Second half EBITDA profitability achieved and foundations set for long-term value



Keith Daley
Non-Executive
Chairman

FY26 was a year of clear progress for Checkit, positioning the business for the future.

Dear Shareholders

FY26 represented a significant milestone for Checkit, with the Group achieving second half EBITDA profitability and positive cash flow. This outcome reflects the focus, discipline and sustained effort of the executive team and colleagues across the business.

The Board continues to be acutely aware of shareholder concerns regarding the Company's valuation.

During the year we received six unsolicited expressions of interest from potential acquirers of the business and assets of Checkit plc. This led to the Board's decision to commence a Formal Sale Process under the Takeover Code announced on 26 March 2026. At the time of writing, that process is still ongoing and further announcements will be made as appropriate. The announcement of a Formal Sale Process does not represent a firm intention by any person to make an offer and there can be no certainty that any offers will be made as a result of the Formal Sale Process, that any sale will be concluded, nor as to the terms on which any offer may be made.

Whilst the share price has recovered strongly in percentage terms from the 2025 low, particularly following the announcement of the Formal Sale Process, it remains well below levels we believe reflect the Group's potential.

It remains for me to thank Chief Executive Officer Kit Kyte, Chief Financial Officer Kris Shaw, the senior leadership team and all staff in the UK and US for their contributions. Delivering a substantial improvement in EBITDA profitability and cash flow in a challenging operating environment is a notable achievement and provides a strong platform on which to build.

Keith Daley
Non-Executive Chairman
20 April 2026

Chief Executive Officer's review

Financial discipline delivered. Strategic repositioning underway.



Kit Kyte
Chief Executive
Officer

FY26 was a pivotal year for Checkit. We reinforced financial discipline, strengthened its operational foundations and positioned it for the next phase of development.

Formal Sale Process – Unlocking Strategic Value

The Formal Sale Process reflects our view that Checkit has reached a clear strategic inflexion point and that the current public market valuation does not fully reflect its quality, scalability and long-term potential. The combination of hardware-enabled software, deeply embedded customer workflows and a growing data and AI capability represents a differentiated and relatively scarce asset within the operational intelligence market.

We believe that a structured process provides the best opportunity to crystallise value for shareholders and to accelerate the next phase of the Company's development, potentially under an ownership structure with greater strategic flexibility and access to appropriately valued capital.

Importantly, the commencement of the Formal Sale Process does not alter our strategy or operating priorities. Our focus remains on execution, delivering for customers and continuing to strengthen the platform, all with a view of capitalising on the long-term growth opportunities in our markets.

Financial Performance

Our primary objective during FY26 was clear: to establish a sustainable financial model while continuing to invest in the long-term value of the platform. This was delivered.

Adjusted EBITDA for the year was profitable at £0.3 million, ahead of previous board expectations, compared with a loss of £2.3 million in FY25. The second half of the year generated positive Adjusted EBITDA and positive operating cash flow. The Group delivered £4.0 million of annualised cost savings and was cash flow breakeven for ten consecutive months, finishing the year with net cash of £3.0 million.

Recurring revenue increased to 96% of total revenue and Annual Recurring Revenue reached £14.3 million, up 2% at constant currency and 5% on an underlying basis excluding a single large US customer contraction. Revenue of £13.7 million reflected a continued shift away from lower-quality non-recurring activity and towards contracted recurring revenue.

These results represent a structural improvement in the business. Checkit now operates from a materially lower breakeven EBITDA profitability point with improved operating leverage and greater financial resilience.

Executing the reset

During the year we simplified the cost structure, streamlined internal processes and focused investment on areas of highest strategic return. Annualised operating costs were reduced materially while preserving our go-to-market capability and core product investment.

We strengthened commercial execution by sharpening our vertical focus and concentrating resources on enterprise customers where our operational intelligence platform delivers the strongest return on investment (ROI). This 'inch wide, mile deep' approach continues to drive strong renewal rates and deeper customer relationships.

Customer expansion remained an important source of growth. Many customers expanded their deployments across additional locations and use cases, demonstrating the scalability of the platform and the strength of our land-and-expand model.

We also made significant progress in product development. Continued investments in Asset Intelligence and connected device capabilities have strengthened the platform's ability to capture and analyse operational data in real-time. These capabilities are central to the value delivered to customers and form the foundation for future AI-enabled services.

Taken together, the actions have transformed Checkit into a simpler, more focused and more scalable business.

A changing technology landscape

The broader technology environment is undergoing profound change.

AI is accelerating a structural repricing of traditional pure-play software businesses. Application-layer SaaS models without embedded physical integration are increasingly exposed to commoditisation risk. High gross margin alone is no longer a guarantee of defensibility and, in some cases, may indicate vulnerability to AI-enabled disruption.

Checkit does not share this vulnerability. We operate at the intersection of connected devices, embedded sensors, workflow digitisation and advanced analytics. Our platform captures operational data at the frontline of physical processes in environments where AI enhances the system's value rather than replacing it. This integration of hardware and software creates a defensible moat rooted in operational embedment.

The data generated by connected devices and digital workflows becomes increasingly valuable as analytics and AI capabilities develop. Our Asset Intelligence capability is an early example of this shift, enabling customers to move from reactive processes toward predictive and outcome-based operations. This evolution positions Checkit as an operational intelligence platform embedded within customer workflows rather than a standalone software application.

Hybrid platforms combining devices, connectivity and software analytics have demonstrated strong economic characteristics at scale, including durable customer relationships, high renewal rates and attractive

operating leverage. Our strategy is aligned with this proven operating model.

Across the broader IoT and operational intelligence sector, scaled operators have demonstrated that disciplined capital allocation and selective bolt-on acquisitions can strengthen recurring revenue density and accelerate operating leverage. The combination of organic land-and-expand growth with carefully targeted inorganic additions has proven effective in deepening vertical capability, increasing ARR per customer and improving the overall quality and predictability of revenue. As Checkit continues to strengthen its financial position, we see selective inorganic opportunities as a natural extension of our strategy where they enhance our operational intelligence platform and support long-term value creation.

Asset Intelligence is central to this evolution. It integrates connected sensors, real-time condition monitoring, workflow automation and advanced analytics to provide customers with predictive insight into asset performance. By capturing continuous operational data at the edge, the platform enables early fault detection, reduced downtime, improved compliance and measurable cost savings. As structured operational data accumulates, predictive accuracy improves, increasing customer value and deepening platform embedment across sites and use cases.

From financial discipline to strategic repositioning

The improvements achieved in FY26 allow the Company to move into its next phase from a position of strength.

As we enter FY27, management remains focused on improving profitability and maintaining financial discipline. At the same time, we are sharpening strategic focus and continuing the transition toward a more concentrated operational intelligence platform. This includes continued discipline in customer selection, prioritisation of enterprise deployments where the platform delivers the greatest value, and ongoing simplification of the business where activities do not align with long-term strategic objectives.

This disciplined approach allows us to strengthen the platform while preserving strategic flexibility in a market that is undergoing rapid structural change.

Strategy in execution

We aim to enhance profitability and cashflow by:

- Expanding within the installed base through additional sites and use cases
- Increasing ARR density through larger enterprise deployments
- Continuing development of AI-enabled operational intelligence capabilities
- Improving productivity in new product development by using increasingly sophisticated AI tools
- Concentrating resources on the core platform
- Pursuing selective inorganic opportunities in a consolidating market

Growth will be delivered through three clear mechanisms. First, expansion within the installed base, as customers deploy the platform across additional sites, regions and operational workflows. Second, deeper monetisation of data through Asset Intelligence and analytics-led modules that increase average revenue per customer and strengthen recurring revenue density. Third, disciplined acquisition of new enterprise customers within focused verticals where the ROI opportunity is clear and deployment scalability is proven.

An area of focus in FY27 is the United States, which represents our largest and most scalable addressable market. We are increasing executive attention and commercial discipline in this region to ensure stronger enterprise engagement, improved conversion rates and deeper account expansion. The US market combines operational complexity, multi-site scale and ROI-driven procurement dynamics that align well with Checkit's operational intelligence proposition.

While we remain disciplined in capital allocation, we believe that prioritising markets where organic growth is structurally strongest enhances both standalone performance and long-term strategic value. As deployments scale across sites and use cases, customers generate increasing volumes of operational data. This data underpins additional analytics capability and creates opportunities for further platform adoption over time. The combination of land-and-expand economics, recurring revenue visibility and expanding data value provides a strong foundation for long-term growth.

Outlook

Looking ahead, the Board and management remain focused on disciplined growth, sustained profitability and strategic clarity.

Our priority for FY27 is to build on the progress achieved in FY26 while accelerating high-quality ARR growth of the core platform. This will be achieved through deeper enterprise penetration in focused vertical markets, continued expansion of Asset Intelligence capabilities, and selective inorganic opportunities that enhance revenue density and platform strength.

I believe that Checkit is positioned to deliver durable growth in an evolving technology landscape and to create short, medium and long-term shareholder value.

Kit Kyte

Chief Executive Officer
20 April 2026



Capture

Our platform replaces paper checklists, spreadsheets and fragmented legacy systems with digital workflows, while integrated sensors capture environmental and telemetry data across assets and buildings.

Connect

Data captured from people, assets and buildings across different teams, workplaces and locations is connected and analysed to generate insights into productivity and performance.

Collaborate

Teams collaborate through shared workflows, capturing evidence and context around tasks and alerts to eliminate duplicated effort and human error.

Comprehend

Business intelligence and dashboard analytics deliver actionable insights to leaders and managers, driving behaviour change and highlighting performance improvements.

Market overview

The market opportunity for augmented workflow technology

Our platform empowers a large, underserved and available market in an unpredictable world making people and assets digitally enabled, connected and prepared for future demands.

A large addressable market

The global frontline workforce comprises approximately 2.7 billion workers - or 80% of workers worldwide. Yet fewer than six in ten frontline workers use mobile devices in their jobs and 73% are still using paper forms.

Continuing shortages of frontline workers, high employee turnover, increasing payroll and supply chain costs combined with external pressures to demonstrate adherence to ever increasing compliance and sustainability requirements mean there is a compelling need for organisations to digitalise their frontline workforce practices.

Advances in technology, particularly in areas of AI and ML, enable organisations and leaders to: (i) track and optimise employee productivity; (ii) identify underperforming assets, (iii) reduce costs and wastage; (iv) increase efficiency; and (v) attract and retain talent.

Checkit operates in several large and rapidly growing markets, collectively valued at an estimated \$110 billion, with double-digit CAGRs. Our ability to serve these markets concurrently adds significant value by offering integrated, scalable solutions that reduce complexity. Checkit adopts an 'inch-wide mile-deep focus' on specific sectors where we have competitive differentiation and domain expertise. As a result of this focus, we estimate that the potential technology spend within the frontline workforce for Checkit solutions could represent approximately 5% of this total market value, giving us a target addressable market of around £5 billion.

Our target addressable market

Our target addressable market applies to both our sensor and software solutions - the augmented workflow offering – aimed at incorporating physical assets into a digital ecosystem and applying digital tools and monitoring to transform working practices.

Currently serving three out of seven potential sectors

We are currently serving customers within three out of a potential seven markets - the Healthcare, Retail and Hospitality - in aggregate employing almost 800 million frontline workers.

Through our focus on those sectors we address 30% of the global deskless worker population. However in time, we believe that by evolving both the product and the go-to-market functions, we can address significant expansion opportunities in adjacent markets – Manufacturing, Biotechnology, Higher Education and Logistics.

Targeting the US market

The US remains the largest and most appealing market for the digitalisation of frontline workforce practices, accounting for over five times more technology spend than the European market. The US market currently accounts for 27% of ARR and we believe it presents significant opportunity for further expansion and growth. We anticipate the US contributing more than 50% of Group revenues in the medium term.

Platform overview

Connecting people, places and things

Our product vision is to transform front line operations - boosting the performance, resilience and reliability of people and assets.

In a world of rising costs and competitiveness, where staff turnover is high and skills are in scarce supply, it is vital that front line staff concentrate on delivering value and quality. Automation of routine tasks and defined predictable processes are essential. But operations teams want to be able to look ahead, to predict and act on problems using insights from their data. Our vision is to answer this need.

Our products put three of today's biggest technology trends to work for our customers: **integrated sensors** replace manual, occasional data gathering with continuous sensing; **mobile work digitisation** replaces manuals and paper forms with smart apps; and **Asset Intelligence** creates insights and suggestions previously unavailable. Each on its own is powerful, but together they create more value.

Exploiting this combination of capabilities in a single platform is at the heart of Checkit's vision and differentiation. It means we are uniquely able to address a wide set of business problems. To date, we have focused on food safety and food service operations as well as monitoring medical and life sciences environments. Both require continuous monitoring and for busy front-line workers to perform and record workflows. Both also require the visibility and efficiency at scale that modern analytics and AI provide far better than human oversight and analysis.

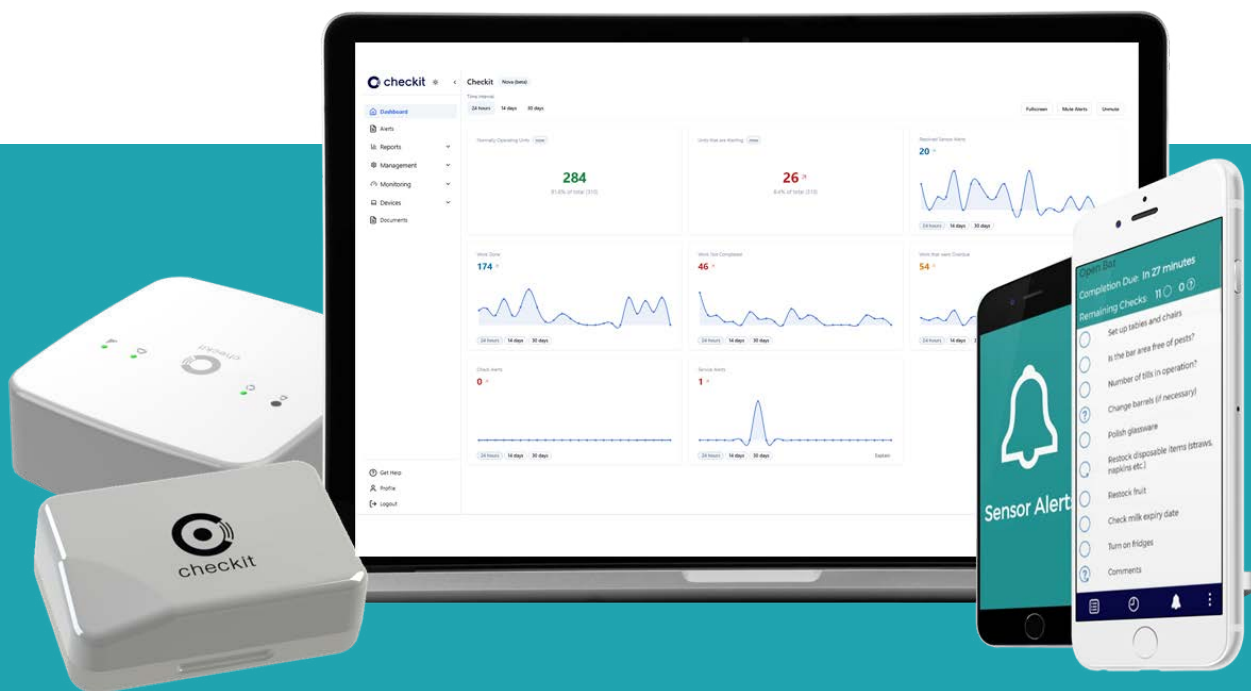
We are continuing to evolve the product to deliver the benefits of this vision. Our guiding principles are:

- A single platform that deeply integrates sensors, workflow and Asset Intelligence
- Scalability across multi-site enterprises
- Simplicity for frontline users and analytical power to managers
- An open, modular approach that fits with customer processes and IT architectures.

Our product development is shaped by our vision and feedback from our customers, resulting in the following current priority areas:

- **A unified, modern user experience** - delivering improved enterprise management capability, increased user productivity and a significantly enhanced mobile experience. This is supported by a modernised API architecture designed for integration and future innovation.
- **Platform unification and expanded intelligence capabilities** - bringing advanced analytics and AI features to our broader customer base, while creating a next-generation medical monitoring solution that is more integrated and efficient to deploy and operate.

These developments strengthen our ability to apply AI to real operational data in practical ways, improving prediction, prioritisation and asset performance across distributed environments.



Designed for the speed and scale of Predictive Operations

Rapid time-to-value, with unique features that help teams as they grow.

No code workflow builder

Workflows can be built and deployed rapidly using a simple drag and drop interface.

Integrated sensor automation

A variety of in-house and third-party sensors that can monitor and alert on critical assets.

Delivery of automated alerts and scheduled work to frontline workers

Prompt frontline workers from their mobile device to carry out actions triggered by sensor alerts from equipment or buildings ensuring remediation and risk prevention.

Real-time collaboration

Allow multiple staff to collaborate on a single set of actions, and understand standard operating procedure, reducing duplicated effort.

Reporting dashboards and Asset Intelligence

Out-of-the-box dashboards provide seamless digital reporting, and Asset Intelligence provides predictability around asset performance, health, and more.

Business model

Our business model

Our Assets

People

A workforce with deep domain knowledge of the industries we serve.

Enterprise-grade platform

Integration of workflow automation with data from integrated sensors, enhanced by AI to drive digitalisation and efficiency.

Operational ecosystem

An ecosystem of integrated sensors and mobile capabilities to gather datapoints and inform decisions.

Strong financials

Our business model is based on high quality recurring revenue growth from landing new customers and expanding existing relationships.

Value creation

Seed



Demonstrate value

We partner with our customers to uncover and digitalise single use cases to demonstrate impact and ROI.

Land



Design and onboard

Working with the customer we identify and deploy additional use cases to increase impact and value.

Initial relationship

Customers will often start building their sensor network and workflows using individual use cases.

Initial implementations are typically focused on proof-of-concept workflows or existing processes that are challenging to the business.

Support

Our support team operate 24/7/365 days a year to answer customer calls.

Revenue generation

Expand



Growth

Customer Success works alongside the customer to identify and champion additional digitalisation opportunities and improve efficiencies by driving product usage and aligning the platform to the customer's strategic goals.

Insight



Predictive Operations

Customers unlock Predictive Operations by connecting their frontline workforce, assets, and buildings, unlocking business insight.

Customer Success

Our customer success team partner with the customer to understand their strategic objectives associated with process automation and work alongside them to deliver ongoing product education and deliver value.

Platform enhancements

Our platform continuously delivers features and enhancements designed to improve usability, insights and unlock new use cases.

Subscription revenue

We sell platform, sensor, and mobile application subscription bundles which include updates, maintenance, calibration and support.

Professional services

We provide professional services on how to move to a digital workplace.

Stakeholders

Employees

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Investors

CKT.LN

Our investors can invest in the creation of a new industry category with a large underserved market.

Business strategy

Transforming from breakeven to profitable, scalable growth

Achieving EBITDA profitability in FY26 marked an important inflection point for the Group. The strategic focus has now shifted from cost stabilisation to leveraging the operating platform to deliver sustainable profitability, while continuing to invest selectively in growth and scale.



Driving profitability through operational leverage

The scalable nature of the Checkit platform means that incremental revenues can be delivered at progressively higher margins. The Group will maintain an optimal cost base, streamline processes and prioritise investment with a clear focus on return on investment.

Our strategic priorities are:

- Maintain disciplined cost control while supporting growth.
- Convert operating leverage into sustainable profit

KPI

Gross margin: **72%**

EBITDA margin: **2%**



Scaling growth through customer expansion and technology

The Group's growth strategy is anchored in a land-and-expand model, securing initial deployments in focused use cases or locations before expanding across sites, assets and function.

- Improvements to platform usability, integration and deployment processes enable customers to realise value more quickly and at lower operational friction, supporting faster expansion across estates and use cases.
- Timely targeted investments in sales and product development remain ROI-led ensuring that growth initiatives are aligned with customer value creation and profitability objectives

KPI

Net Revenue

Retention: **101%**

ARR Growth: **2%**



Leveraging a high-quality, recurring revenue model

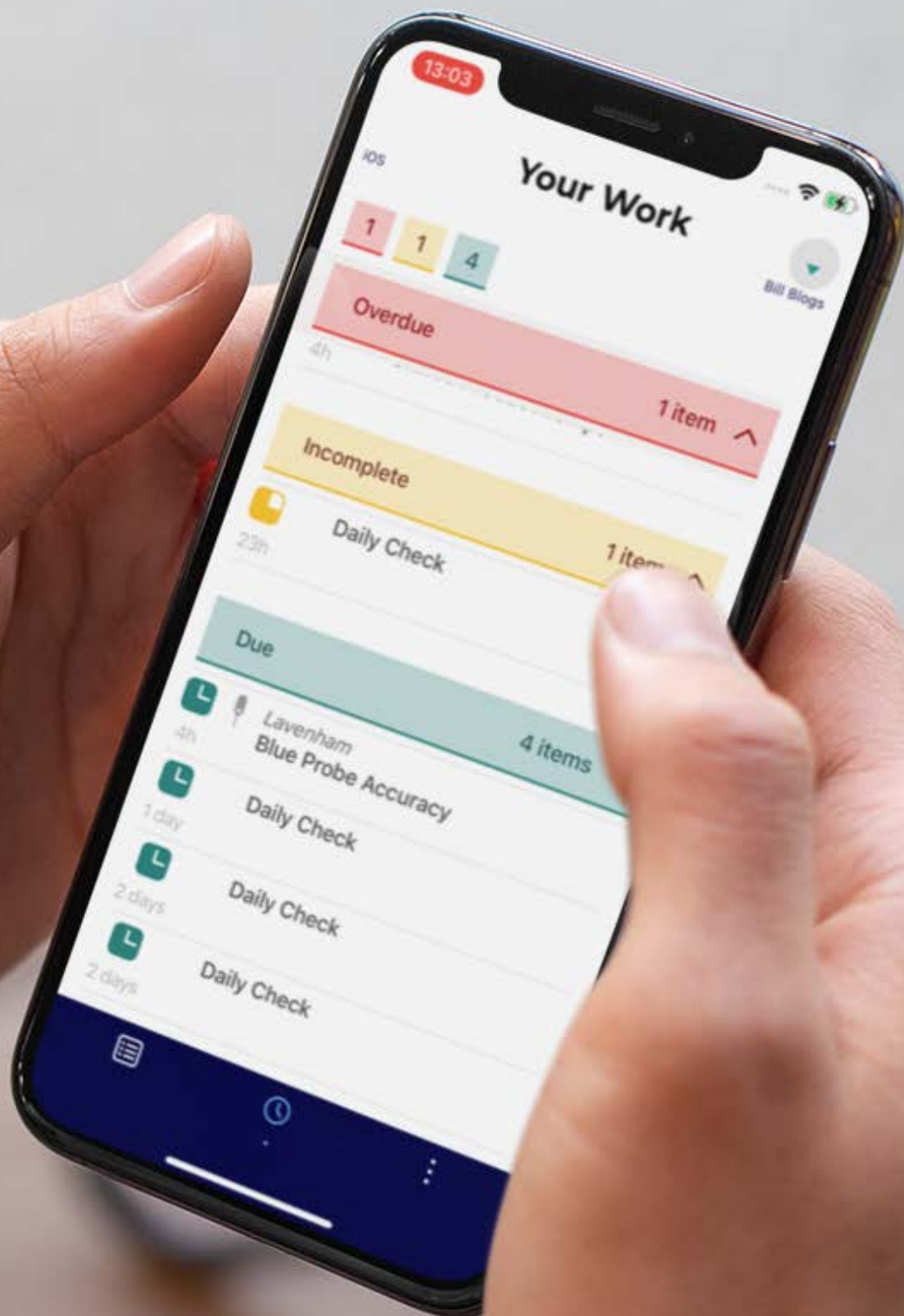
We operate a subscription-based commercial model, generating high-quality, predictable revenues. This revenue structure underpins the Group's financial resilience, enabling disciplined planning and investment.

- Customer contracts typically commence with an initial three-year term, followed by a rolling twelve month renewal periods.
- The mission-critical nature of the platform within customers' operations supports strong retention, driven by improved compliance, operational efficiency and asset performance.

KPI

Recurring revenue as a percentage of total revenue: **96%**

Percentage of ARR renewed in year: **25%**



Financial review

EBITDA profitability achieved



Kris Shaw
Chief Financial Officer

The financial year in review

FY26 was a year of significant financial and operational progress for Checkit, marked by decisive actions to improve profitability, strengthen cash generation, and position the Group for sustainable long-term growth.

During the year, we executed a substantial operational restructuring programme, which materially reduced our cost base and accelerated our path to profitability. These actions delivered annualised cost savings of approximately £4.0 million, fundamentally reshaping the Group's operating model and creating a more scalable platform from which future incremental revenue can drive meaningful profitable growth.

As a result of these actions, the Group achieved an important financial milestone, delivering full-year positive Adjusted EBITDA of £0.3 million. This was driven by a significant improvement in performance across the year, with Adjusted EBITDA improving from a loss of £0.5 million in H1 to a positive £0.8 million in H2, demonstrating the effectiveness of the restructuring programme and the inherent operating leverage within the business. The second half was also cash generative, reflecting both improved profitability and disciplined working capital management.

With a materially lower cost base now established, the business is well positioned for profitable future growth and cash generation.

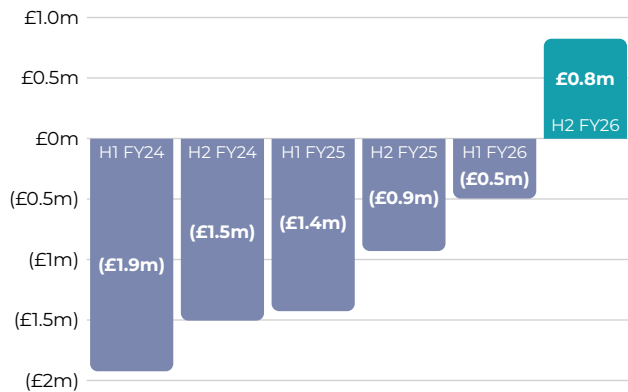
Revenue

Total revenue for FY26 was £13.7 million (FY25: £14.1 million), a reduction of 2% year-on-year. This primarily reflects a reduction in non-recurring revenue from £1.0 million to £0.5 million, consistent with our strategic focus on subscription-based recurring revenue. Recurring revenues represented 96% of total revenue (FY25: 94%).

Recurring revenue increased to £13.2 million (FY25: £13.1 million or £13.0 million at constant currency), representing 2% growth on a constant currency basis. Performance was impacted by the reduction in ARR from a large US

customer, following the removal of unutilised services as part of a new three year contract. Excluding the impact of this customer contraction, underlying ARR growth was 5%, net revenue retention¹ was 104%, and gross revenue retention was 95%.

EBITDA



Operating Costs and Adjusted EBITDA

The cost reduction programme implemented from May 2025 impacted all areas of the business and has materially reshaped the Group's cost base. Headcount was reduced from 165 to 117 employees, with changes weighted towards the product function, aligning resources more closely with current strategic priorities.

Total annualised cost savings of £4.0 million, comprise £3.2 million of staff cost reductions and £0.8 million of savings across other operating expenses. As a result, the Group's EBITDA breakeven ARR threshold has reduced materially, improving financial resilience and increasing operating leverage as revenue scales.

Operating expenses charged to the income statement reduced by 18% year-on-year. The full annualised benefit of

the restructuring programme will be reflected in FY27. The Group's operating costs for the year are set out below:

	FY26 £m	FY25 £m
Product management and development	3.3	4.4
Sales and marketing	2.2	3.0
Operations	2.4	2.5
Central costs	3.7	4.6
Total operating costs	11.6	14.5
Less: capitalised development	(1.8)	(2.4)
Total charged in income statement	9.8	12.1

Non-recurring or special items

Non-recurring and special items in the year totalled £1.1 million (FY25: £0.5 million). These costs primarily relate to the operational restructuring undertaken during the year, transaction-related costs and other one-off items that are not considered part of the Group's underlying performance.

	FY26 £m
Restructuring costs	0.8
Transaction costs	0.2
Intangible asset impairment	0.1
Total non-recurring or special items	1.1

Restructuring costs of £0.8 million principally comprise redundancy and notice pay arising from the headcount reduction implemented from May 2025.

Transaction costs of £0.2 million relate to professional fees incurred in connection with the proposed acquisition of Crimson Tide, which did not complete.

The £0.1 million intangible impairment reflects a prudent reassessment of certain legacy capitalised development assets following the reprioritisation of the product roadmap.

Taxation

The Group remains loss making at a consolidated level and therefore no UK corporation tax charge has arisen for the year.

Notwithstanding this, a current tax charge of less than £0.1 million has been recognised in respect of profits generated by certain overseas subsidiary companies, which are subject to local corporation tax regimes. In addition £0.1m of overseas tax expense has been recognised in relation to prior periods.

At 31 January 2026, the Group had approximately £32 million of carried forward taxable losses. No deferred tax asset has been recognised in respect of these losses due to the uncertainty regarding the timing of future taxable profits.

Claims in relation to R&D tax for the year amounted to £0.2 million, arising under the UK Research and Development Expenditure Credit ("RDEC") regime. The credit is treated as taxable income and is therefore subject to UK corporation tax.

Following changes to the UK R&D tax credit regime the presentation of the credit has been amended. The RDEC income has been recognised above the line within other operating income and therefore contributes to operating profit and EBITDA. In the prior year, the equivalent R&D credit was recognised within the tax line. This change in presentation reflects the updated accounting treatment under the revised scheme and does not alter the underlying economic benefit to the Group.

EPS – continuing operations

The weighted average number of shares in issue in FY26 was 108.0 million (FY25: 108 million). Loss per share (basic and diluted) was 2.6 pence (FY25: 3.3 pence).

As the Group reported a loss for the year, potentially dilutive share options have not been included in the calculation of diluted loss per share, as their inclusion would be anti-dilutive. Accordingly, basic and diluted loss per share are the same for FY26.

Cash

As at 31 January 2026, the Group's cash balance was £3.0 million (FY25: £5.1 million).

Net cash outflow for the year was materially reduced, with annual cash consumption decreasing by 46% year-on-year. Cash outflow was weighted towards the second quarter of the year, reflecting restructuring costs and the pre-restructuring cost base. Following the implementation of the cost reduction actions, the Group delivered cashflow breakeven in the second half of FY26.

The improvement in cash performance reflects the combination of Adjusted EBITDA profit, improved gross margins and disciplined working capital management. This is reflected in the improvement in net cash outflow from operating activities, which reduced from £1.2 million in FY25, to £0.1 million in FY26.

The Group remains debt free and did not undertake any refinancing or equity fundraising activity during the year.

Kris Shaw

Chief Financial Officer
20 April 2026

¹ Net revenue retention ("NRR") is defined as the amount of recurring revenue from existing customers retained over the year, excluding new wins in the last 12 months. Gross revenue retention ("GRR") is defined as the amount of recurring revenue from existing customers retained over the period, excluding new wins or upsell/expansion in the period.

Case Study



Strategy in action

Enhancing visitor experience through automated compliance

In 1895 three Victorian philanthropists, concerned about the impact of uncontrolled development and industrialisation, set up the National Trust to act as a guardian for the nation in the acquisition and protection of threatened coastline, countryside and buildings. It has since grown into Europe's largest conservation charity, protecting some of the most important spaces and places in England, Wales and Northern Ireland.

The National Trust looks after the nation's coastline, historic sites, countryside and green spaces, ensuring everyone benefits.

The National Trust's Food & Beverage operation is a large and diverse business. Covering over 350 sites in England, Wales and Northern Ireland, with outlets operating everywhere from hill top tearooms, coastal cafés to parkland kiosks, more than 25 million people a year are served with fresh, local and seasonal food. In addition to being a key part of the visitor experience, the money earned supports historic properties and green spaces for the future.

With a need to maintain investment in important conservation whilst ensuring the best possible visitor experience, the Trust continually looks for opportunities to innovate and improve. One such area is the monitoring of refrigerator and freezer temperatures to ensure compliance with legislation. This required significant manual effort as checks need to be completed several times each day. Sites vary in their layout and operational patterns, meaning manual temperature checks can be time consuming for staff, especially across multiple outlets.

The National Trust recognised that implementing automated temperature monitoring could reduce the amount of staff time associated with manual temperature checking and deliver additional reductions in management cost associated with collating and validating records.

The potential to improve central and local visibility of records, reporting and analytics, and reduce operational pressures on labour required to complete manual temperature checks at busy times, allowing more focus on visitor experience, were also seen as key benefits.

Following an extensive evaluation process, the Trust chose to partner with Checkit and the solution is currently being deployed to fifty sites that are large enough to justify the labour saving benefit of remote monitoring. There is the potential to expand the system to all food and beverage outlets in the future once the benefits of initial adoption are realised.



Case Study



Strategy in action

Protecting revenue & guest experience at scale

Company Profile

Texas Tech University's hospitality operations, delivered in partnership with OVG Hospitality, serve thousands of guests across multiple high-volume environments. From premium hospitality suites and VIP social club areas to concessions and game-day kitchens, operations run year-round and reach peak intensity during major college football events.

Operational Challenge

Managing food safety, equipment performance, and operational consistency across numerous kitchens under extreme time pressure presented significant risks. Manual temperature checks and reactive maintenance left teams without real-time visibility into critical assets, meaning product loss, compliance gaps, and compromised guest experiences were ongoing concerns, especially on high-stakes game days.

Partnership with Checkit

Checkit has been deployed across Texas Tech's hospitality operations to provide continuous, automated monitoring of critical food storage and preparation assets. With real-time sensors and alerts, teams can now proactively intervene when equipment deviates from safe operating conditions, allowing them to act before product is compromised.

OVG Hospitality's General Manager, Megan Sunderman, highlights the impact:

"Within the first two months of using Checkit, the software paid for itself. Sensors alerted to a walk-in cooler going down, and we were able to have it fixed within the hour."

Texas Tech's implementation of the Checkit Monitoring System delivers:

- Continuous monitoring of critical temperature and safety data
- Real-time alerts for deviations and equipment issues
- Proactive intervention to protect high-value inventory
- Centralised visibility across all hospitality kitchens and service points

The Checkit solution has delivered measurable operational advantages:

- Immediate visibility into asset performance and safety
- Protected high-value product during high-pressure service periods
- Uninterrupted service for thousands of guests
- Essential performance support during peak game-day operations

Outcomes by the Numbers:

- Two months to ROI, reflecting rapid value realisation
- One hour fix time for critical equipment issues
- Thousands of guests protected
- 100% product saved from temperature-related loss

Supporting Operational Growth:

Following success with core monitoring, Texas Tech and OVG Hospitality are expanding Checkit's digital footprint with structured workflows, customised checklists, standardised food-safety protocols, and opening/closing procedures, creating a scalable foundation for broader digital compliance and operational excellence.



Environment, social, and governance (ESG)

Sustainability in action

Since establishing our ESG programme in FY24, Checkit has integrated ESG principles throughout the organisation. In a landscape of evolving global ESG priorities, we believe a well-designed programme creates lasting value for our stakeholders.

From the outset, our objective was to integrate ESG metrics and initiatives into Checkit's core operations. Today, ESG considerations inform decision making throughout the business. From the recruitment of new joiners to the onboarding of suppliers, we evaluate key decisions with ESG considerations at the forefront.

Environment

Our pledge to sustainability

Checkit is committed to providing our customers with tools that support their sustainability ambitions, aligning our ESG programme with our dedication to reducing environmental impact.



Flexible working

In FY25, we surveyed the business to better understand employee commuting and working practices. This survey reaffirmed our commitment to the 'remote-first' approach to flexible working, which we have retained in FY26.



Reducing our carbon footprint

Where possible, we refurbish and reuse equipment to reduce our footprint. Our primary hardware suppliers are all UK-based.



Low emissions and mileage

We have continued to invest in hybrid vehicles to reduce emissions from engineer travel. More than 80% of our fleet is hybrid, and engineer mileage is closely monitored and reduced through more efficient deployment of resources.

Our emissions reduction journey

We work with Carbon Neutral Britain to calculate our emissions in accordance with ISO 14064 and GHG Emissions Protocol standards. Our FY26 emissions again reveal that vehicle emissions are our major contributor, followed by business travel and organisation site energy usage. Following our first year emissions assessment, Checkit has achieved an 18% reduction in overall emissions in year three. Although our priority is to reduce our emissions, Checkit also offsets its emissions through the Verified Carbon Standard and United Nations Certified Emissions Reduction programmes. Checkit Europe Limited is a carbon neutral certified organisation.

Set out below are CO₂ emissions associated with Checkit Europe Limited:

Emissions (tCO ₂ e)	FY26	FY25
Scope 1	41.4	66.5
Scope 2	16.9	22.1
Scope 3	121.3	129.3
Total	179.6	217.9
Emission per FTE	1.3	1.5

In the future, we aim to expand our offsetting and carbon reduction calculations to include our US operations.



Carbon reduction plan

Our commitment extends beyond offsetting emissions to ambitions to achieve Net Zero for scope 1, 2 and 3 emissions by 2050. Our targeted Carbon Reduction Plan, with strategic initiatives already in motion, focuses on our key emissions areas:

- vehicle emissions;
- business travel; and
- site energy consumption.

We are already implementing measures to reduce the key sources of emissions identified above, and expect to deliver meaningful improvements over the next twelve months. Our offices in Fleet and Cambridge continue to be supplied by 'green' energy providers. A formal carbon reduction plan will be developed in FY27 setting out how we will achieve our net zero ambitions.

Social

An inclusive environment where our people can bring their whole selves to work

In the year under review, we delivered training to employees focusing on neurodiversity with the aim of raising awareness and enhancing support. We enable employees to donate to their chosen charity directly from their gross salary through a payroll giving scheme. In addition, we organised events through our charity committee and championed a volunteering programme, which allows employees to take paid time away from the business to volunteer for a cause they care about.

We ran our annual company culture survey which sought to engage with employees in order to determine where the business should focus to promote an inclusive and empowering culture. The results of this survey provide Checkit with tangible insight and shine a light on where increased focus can benefit our employees and enhance our culture.

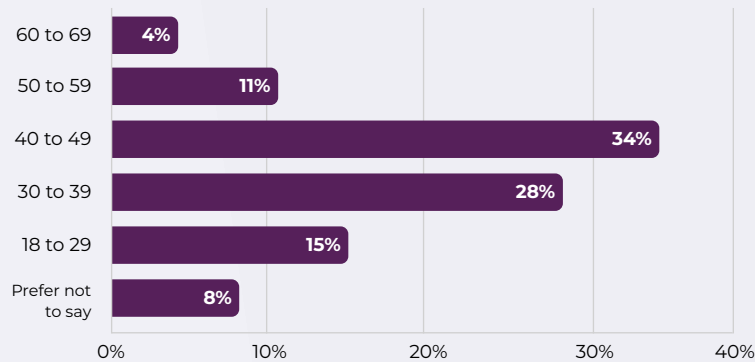
76% (FY25: 74%)

of respondents agree or strongly agree that Checkit’s culture supports work-life balance and employee wellbeing.

90% (FY25: 77%)

of respondents agree that Checkit is an inclusive and diverse workplace.

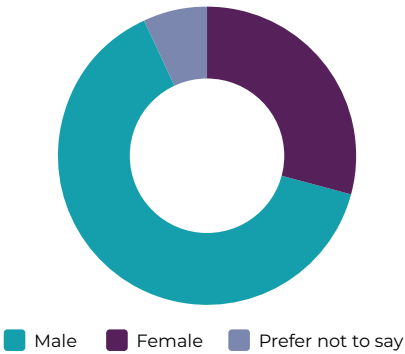
Employee age distribution



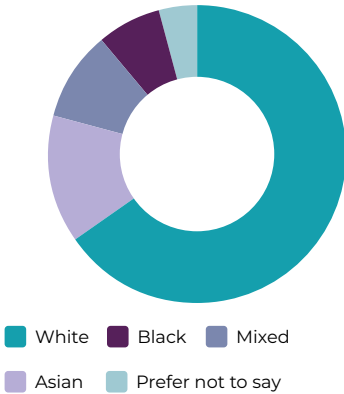
We prioritise the well-being and mental health of our people and support them through the following:

- mental health first aiders;
- two well-being days per employee per year;
- volunteering days; and
- a ‘remote-first’ flexible working policy.

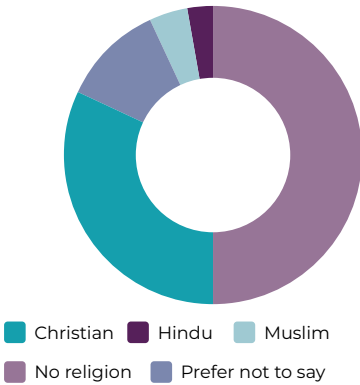
Gender diversity statistics



Demographic statistics



Religious diversity at Checkit



Governance

The Board is committed to maintaining high standards of sustainable and ethical corporate governance. ESG objectives are formally reviewed and approved by the Board on an annual basis, and progress against these objectives is regularly monitored. Checkit has established robust governance frameworks and processes that promote transparency, accountability and effective oversight of corporate governance matters. These frameworks are subject to periodic evaluation to ensure they remain aligned with evolving stakeholder expectations and best practice.



Board evaluation

The Board routinely assesses its effectiveness and carried out its most recent formal evaluation in January 2026.



Quoted Companies Alliance

This year we are complying with the latest version of the Quoted Companies Alliance Corporate Governance Code, published in November 2023.

In addition, we have continued to run an ESG Working Group with representatives from across the business to ensure our programme is developed by our employees instead of being imposed on our employees. As part of every employee's induction, they are given access to full details about our ESG programme and encouraged to participate in the ESG Working Group.

For more information, please see our corporate governance report on pages 36 to 38.

Our ESG approach represents our sustained focus on responsible decision-making and delivering measurable impact.

Stakeholder engagement and Section 172

Working for the benefit of all our stakeholders

Section 172

Engaging with our stakeholders is crucial to the long-term success of the Company.

In engaging with our stakeholders, we consistently refer to our fundamental principles, values and culture. This supports improved decision-making at every level of the Company. These pages provide examples of how we build and maintain relationships with key stakeholder groups.

Section 172 of the Companies Act 2006 requires a director of a company to act in a way that the director, in good faith, considers would be most likely to promote the success of the company for the benefit of shareholders. In doing so, consideration is given to a series of important matters, including:

- the likely consequences of any decisions in the long-term;
- the interests of our employees;
- the need to strengthen the company's relationships with suppliers, customers and others;
- the impact of our operations on the community and environment;
- our reputation for high standards of business conduct; and
- our commitment to equitable conduct.

Shareholders

We are committed to engaging with shareholders using consistent and effective communication. Key considerations include the Company's financial performance, long-term strategy, corporate governance and stewardship. The CEO and CFO have regular meetings with institutional shareholders through meetings held after financial reporting and trading updates. Private shareholders are encouraged to engage with the Board at the Company's AGM where the Board makes itself available for shareholders to ask questions. The Company also makes interactive management presentations through the Investor Meet Company platform to current and prospective shareholders regardless of the number of shares they own.

Employees

We recognise our diverse, skilful and experienced workforce as our most important asset. With an emphasis on flexible working, we regularly review how to best balance the benefits of remote working with the value of in-person collaboration. Regular off-site meetings and online Company-wide meetings allow the leadership team to present progress, listen to feedback and answer questions. Regular employee surveys are carried out to measure employee sentiment and ensure that strategic principles, news and values are understood. On an annual basis we run a survey focused on equity, inclusion and diversity which also asks questions about culture, to monitor where additional attention is required.

Customers

Checkit stands out by building partnerships with its customers. Trusted relationships enable us to lead customers through their digital transformations, providing a robust solution, industry knowledge, and consultancy support.

Our account management team supports our customers from the start to invest in the right technology. Our dedicated customer success managers then work proactively to provide process improvements and recommendations, to build multi-threaded relationships, and ensure customers get the most out of their investment.

By sharing these stories internally through our Customer Review Board meetings, and Voice of the Customer channels, we are embedding a customer-centric culture across the business.

Suppliers

Checkit places a high value on its relationships with suppliers, including contractors and service providers. Trusted, collaborative partnerships facilitate efficient and effective business performance.

The Company operates in a way that guards against unfair business practices and encourages suppliers and contractual partners to adopt responsible policies. All suppliers are asked to sign Checkit's Code of Conduct, which details the standards of business conduct and ethics the Company expects of its suppliers. We continually review and strengthen our Code of Conduct and supplier questionnaires to reinforce this. Regular meetings and audits are held with key suppliers to gather feedback and continually improve relationships.

Community and environment

We are dedicated to contributing positively to the broader community and environment. Through our volunteering programme we have supported local initiatives such as conservation projects and food banks. We want to empower customers to eliminate operational waste. Our platform directly enables customers to increase efficiencies and reduce operational waste, such as food, medicines and supplies. Our solutions help our customers reduce their energy consumption and improve remote operations management.

Checkit is committed to a flexible, hybrid working model, resulting in reduced transport requirements and an increasingly paperless environment. The majority of our shareholders now receive all documentation electronically to reduce unnecessary paper waste.

Full details of Checkit's ESG programme are contained in the ESG report on pages 24 to 27.



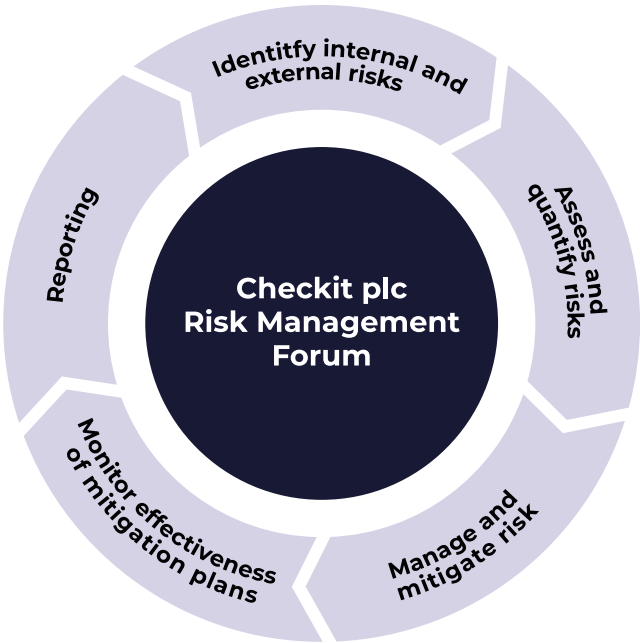
Principal risks and uncertainties

Prioritising effective risk management is of fundamental importance to Checkit in the pursuit of its strategic objectives.



Risk management

The Board holds ultimate responsibility for upholding systems and processes aimed at risk management and ensuring the fulfilment of the business's strategic priorities. The Risk Management Forum (RMF) meets quarterly to ensure risks are being identified, assessed and mitigated. Executive Directors have responsibility for the overall management and delivery of the strategy and attend and review the output of the RMF. The Audit Committee provides an independent review of the effectiveness of the RMF and internal controls and ensures that the Group is in full compliance with relevant regulations and laws, supported by the Group General Counsel and Company Secretary.



A risk analysis is undertaken, considering detailed individual risks that fit into six main categories:

- Growth;
- People and culture;
- Product development;
- Customer dependency;
- Information governance and cyber security; and
- Business operations.

This is combined with a strategic review to ensure that all appropriate risks are identified, assessed and quantified. Mitigation plans and actions are then put in place to ensure risks are reduced to a level that is as low as reasonably practicable.

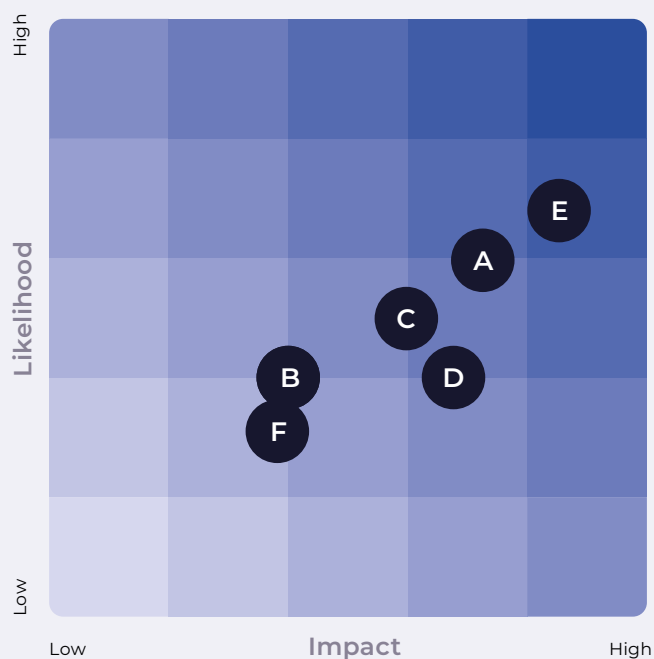
Risks are assessed both pre and post-mitigation to identify the overall risk level based on a combination of probability of occurrence (likelihood) and the magnitude of potential consequences (impact).

Checkit risk heat map

The risk heat map shows a representation of the Group's principal risks, including an assessment of their relative impact and likelihood (after mitigation). These risks are not intended to illustrate a full analysis of all risks that could arise in the ordinary course of business or otherwise.

More detail on the Group's principal risks and uncertainties and how they are being managed is set out below. In FY26 we continued to implement mitigations to address the principal risks facing Checkit. The principal financial risks are separately disclosed in Note 1 to the financial statements on page 63.

FY26 principal risks heat map



- A** Growth
- B** People and culture
- C** Product development
- D** Customer dependency
- E** Information and cyber security
- F** Business operations

Risk description

Mitigation

A Growth

The Group's growth strategy may result in a number of challenges for the business, including:

- increased demand on business resources, including people, processes, and cash;
- dependence on new sales to achieve financial and strategic objectives; and
- increased burden on operational, financial, and technical infrastructures.

- Strategy to grow customer relationships over time, reducing the barrier to adoption.
- Increased automation and efficiency in operational delivery.
- Planning to address any platform architecture growth constraints.
- Strategic and financial planning processes.
- Business performance management reviews.
- Regular sales and operations planning meetings.
- Cost base re-alignment.

B People and culture

Checkit is dependent on access to the right talent to deliver on its strategic goals.

As the business grows, there is pressure to attract new talent to deliver key roles quickly to support the existing team.

Any dependency on individuals for critical knowledge could mean a loss of key personnel would impact the business's ability to deliver on its plans.

- Employee engagement programmes, including enhanced benefit offering and employee share option plans.
- Talent acquisition infrastructure.
- Single point of failure and key role identification with increased notice periods adopted and employment terms harmonised.
- Succession planning in place.
- Business continuity plans in place.
- Performance reviews for employees.

C Product development

Checkit operates in a rapidly evolving and increasingly competitive market, where innovation by existing competitors and emerging technology-led entrants, including AI-enabled solutions, could erode product differentiation or accelerate disruption.

The Group's products are mission-critical to customers' operations, and sustained platform outages or performance degradation could result in reputational damage, customer attrition, and reduced revenue.

The long-term sustainability of the proposition depends on maintaining cost-effective platform economics. Increases in per-user or per-sensor costs could adversely impact margins if not offset through pricing, scale, or operational efficiencies.

- Continued product investment to maintain competitive position whilst launching innovative products harnessing AI.
- Quality assurance process in place.
- Customer usage monitoring.
- Platform load testing and evolution to be simpler to maintain.
- Cost efficiency initiatives and analysis to improve data centre infrastructure.

Risk description

Mitigation

D Customer dependency

The Group has a degree of customer concentration, particularly in the healthcare and food retail sectors.

While the Group's growth agenda means this risk continues to reduce, any loss of business from its largest customers may impact business performance.

- Long-term contracts.
- Dedicated account management for high tier customers to nurture and scale ongoing relationships.
- Customer Success programmes.
- Monthly customer review meetings.
- Commercial operations and contracting processes.
- Net promoter scores.

E Information governance and cyber security

The Group holds significant amounts of personal data. This carries risks associated with information governance and data protection.

The Group is also reliant on cloud-based IT infrastructure, where any loss of key systems could impact the business's ability to operate.

While most security breaches are due to errors in disclosing data, cyber attacks and malware increasingly threaten the integrity of Checkit's own data and systems, as well as the data it holds on behalf of customers.

- ISO 27001 accredited framework of data security processes and Cyber Essentials certification.
- Asset risk assessments aligned to ISO 27001.
- Regular employee training and awareness.
- Data management/cyber security policies and incident management system and response.
- Increase in SSO applications and delivery of security roadmap.
- Relevant insurances.
- Business continuity and disaster recovery plans with annual penetration testing.
- DPO officer.

F Business Operations

Checkit has undergone rapid change and transformation. This risk concerns whether we can continually meet customer requirements and have operational processes and systems that can meet the demands placed on our products and employees.

Inconsistent communication across all stakeholder groups could also impact the Group's ability to execute its plans.

- Employee communication programme.
- Performance management process and leadership training.
- Creation of service catalogue.
- Monthly operational performance reviews.
- Focus on customer journey.

Corporate governance

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Leading into the future

Executive leadership

Kit Kyte

Chief Executive Officer



Kit was appointed in February 2021 as the CRO heading up the Company's growth function before becoming CEO in June 2021. He was formerly Vice President of Sales at global professional services firm Genpact. Before his business career, he served as a Captain in the Royal Gurkha Rifles.



Kris Shaw

Chief Financial Officer



Kris joined the Company in October 2024 as Chief Financial Officer having previously spent three years as Chief Financial Officer at Smartspace Software plc. After qualifying as a Chartered Accountant in 2005, Kris spent 14 years working in finance roles in various sectors.



Keith Daley

Non-Executive Chairman



Keith is an experienced entrepreneur and chairman with deep knowledge of sales and marketing. Originally a corporate banker, he bought, invested in, managed and sold numerous businesses over almost 40 years. Keith was appointed Non-Executive Chairman in 2022 having previously served Checkit in an Executive capacity.



Alex Curran

Non-Executive Director



Alex is the CEO of Aptitude Software, a global financial software provider that helps complex organisations automate and transform their financial business models. She joined Aptitude in 2008 and has held several senior roles, including leading their North American business since July 2019, before becoming CEO in November 2023. Alex was appointed to the Checkit Board in January 2023.



Key

Board member
 Executive leadership
 Audit Committee
 Remuneration Committee

Corporate governance report

The Board of Directors ("the Board") of Checkit plc ("Checkit") has adopted the 2023 Quoted Companies Alliance Corporate Governance Code ("QCA Code") in line with the London Stock Exchange's requirement for all AIM listed companies to comply with a recognised corporate governance code.

As Chairman of the Board, I am responsible for ensuring that the Company has suitable corporate governance arrangements in place which are appropriate for the size and complexity of the Company and that these arrangements are followed in practice. The QCA Code ensures we have a governance framework in place that helps the business achieve and execute on the business model and strategy set out on pages 14 to 27.

The Board recognises that having a skilled, effective and balanced Board is of fundamental importance to the long-term success of Checkit. The Board comprises the Non-Executive Chairman, Chief Executive Officer, Chief Financial Officer and a Non-Executive Director. Biographical details can be found on page 35. All Board Directors put themselves forward for re-election at each AGM. The Board notes the QCA Code's recommendation contained in Principle 6 that there should be at least two Non-Executive directors whom the Board considers to be 'independent'. Although the Board only has one independent director (Alex Curran), the Board deems its composition to be suitable given the size and stage of development of the Company. However, the Board will keep its composition under review and contemplate adding an additional independent Director at an appropriate opportunity. Composition and independence are discussed at least annually by the Board.

Set out below is how Checkit and members of its group currently comply with the ten principles set out in the QCA Code. Further updates are published at least annually in line with our full-year reporting calendar.

Keith Daley

Non-Executive Chairman
20 April 2026

1. Establish a purpose, strategy and business model which promote long-term value for shareholders

Checkit operates a subscription-based model providing real-time operations management solutions. Its purpose is to empower complex, distributed operations with smart automation and actionable insight. This supports long-term shareholder value through recurring revenue, operational scalability, and customer loyalty. The strategy, developed by the Executive Directors in collaboration with the Global Leadership Council and then approved by the Board, focuses on market expansion, product innovation, and enhanced sales capabilities.

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

Checkit fosters a culture grounded in integrity, collaboration, and accountability. The Board regularly review cultural tone, which is reinforced through leadership conduct, internal engagement initiatives and our revised employee handbook and associated policies. In addition, our ESG programme promotes a culture of governance and integrity across Checkit and its supply chain.

3. Seek to understand and meet shareholder needs and expectations

The Board is committed to engaging with shareholders to ensure that the business strategy, operating model, and performance are clearly understood and communicated. The Executive Directors and the Chairman are in contact with the Company's major shareholders in relation to strategic decisions and regularly pass feedback to the Board. The Board is supported by Checkit's nominated advisor, broker and investor relations advisor who keep the Executive Directors apprised of shareholder expectations and reactions.

The Board look to maximise opportunities to communicate with investors and actively encourages feedback from the investor community. The Board places great emphasis on having constructive relationships with all shareholders. The AGM is the main forum for dialogue with private shareholders and shareholders are given the opportunity to raise questions during the AGM.

In addition, Checkit has a regular programme of investor engagement which includes trading updates and presentations to shareholders and analysts immediately following the publication of the half year and full year results. The half year and full year presentations give shareholders the opportunity to raise questions directly with the Executives.

The Board reviews feedback from shareholders following presentations, and Non-executive Directors are also available to meet major shareholders, if required.

Checkit's main point of contact for shareholder engagement is the Company Secretary and general contact details are also available on Checkit's website to support communication and feedback.

4. Take into account wider stakeholder interests, including social and environmental responsibilities

In addition to its shareholders, the Company's other key stakeholder groups are:

- Employees
- Customers
- Suppliers
- Regulators
- Local communities

Checkit takes its responsibility to these stakeholders seriously and seeks to actively engage with them regularly to inform and influence better decision making. Environmental and social responsibilities are increasingly integrated into strategic planning, with the Chief Financial Officer overseeing ESG initiatives and corresponding KPIs to monitor progress. The Company seeks to minimise its impact on the environment wherever possible and annually audits and offsets its emissions.

5. Embed effective risk management, internal controls and assurance activities

The Board maintains a comprehensive risk framework to identify and manage key risks. This includes regular internal and external audits, formal risk registers, and executive-led reviews. An Audit Committee, composed of Non-Executive Directors, reviews risk controls and oversees auditor independence. Risk appetite is reviewed annually to ensure alignment with strategic objectives.

The key elements of Checkit's internal control environment include:

- close involvement of the Executive Directors in the day-to-day running of the group;
- clear lines of authority and reporting established;
- regular internal audits of all departments within the business;
- centralised control and decision-making over key areas such as capital expenditure and financing; and
- a suite of regular reports focusing on the key performance and risk areas. Such reports include detailed annual budget setting with monthly monitoring and daily reporting including reports on sales, orders and cash balances compared with budget.

The group undertakes regular updates and reviews of its business processes, co-ordinated by the group quality and compliance function to ensure that it not only addresses basic financial controls but that non-financial controls are also in place over areas such as information security, calibration and certification, health and safety and environmental issues.

Mitigation can only provide reasonable, but not absolute, assurance against material misstatement or loss. As such, the group maintains insurance cover for the group's activities, with the types of cover and insured values being reviewed on a regular basis by the Executives.

The group maintains a risk register which not only highlights risks relevant to its businesses but also details the actions being taken to mitigate these risks. These registers are reviewed regularly at Executive level.

6. Establish and maintain the board as a well-functioning, balanced team led by the chair

The Board regularly reviews its composition and is satisfied that it has an effective and appropriate balance of skills, capabilities and experience between the Directors to deliver the strategy of the Company for the benefit of its shareholders.

Where new Board appointments are considered, the search for candidates is conducted and appointments are made, on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including but not limited to gender balance.

The Chairman takes responsibility for a calendar of regular Board meetings, of which there are at least six per year. The Board met ten times in FY26 with all members in attendance. The Chairman ensures that Board agendas reflect good corporate governance and concentrate on the key strategic, operational and financial issues.

The Board is aware of the backgrounds and other interests of the Directors and changes to these are reported and, where necessary, agreed with the rest of the Board. Procedures are in place to manage potential conflict of interest.

The Board is supported by an Audit Committee and Remuneration Committee. The Remuneration Committee is comprised of Non-Executive Directors Keith Daley (Chair of Remuneration Committee) and Alex Curran. The Audit Committee is comprised of Alex Curran (Chair of the Audit Committee) and Keith Daley. Keith Daley's financial background and in-depth knowledge of Checkit and Alex Curran's mixture of UK and US high-growth orientated experience provide the necessary level and combination of skills and knowledge to the respective Committees.

7. Maintain appropriate governance structures and ensure directors have relevant experience and skills

The Board, supported by the Company Secretary and Committees Directors receive regular updates and external advice when necessary. Senior managers frequently present at Board meetings to broaden oversight and knowledge. The Directors keep their skill set up to date with ongoing training and are informally assessed on a regular basis.

The Board is supported by the Company Secretary and every Director is aware of the right to have concerns added to minutes and to seek independent advice at the Group's expense.

The long-term success of the Group is the responsibility of the Board. Two Executive Directors have responsibility for the operational management of the Group's activities and development of the Group strategy. Two Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions. The Company Secretary is responsible for ensuring that Board procedures are followed, and applicable rules and regulations are complied with.

The Board has two sub-committees as follows:

Audit Committee:

- The Audit Committee oversees the integrity of the financial results and risk management strategy of the Company.
- It engages and works with the external financial auditor and Group management. It reviews and reports to the Board on significant issues including estimates and judgements made in connection with the preparation of the Group financial statements.
- The Audit Committee met three times during FY26.

Remuneration Committee:

- This Committee ensures that the Group's Executive remuneration policy is aligned to the implementation of the Company strategy and shareholder interests. The Committee seeks to establish a remuneration policy that is designed to motivate, retain and attract Executives of the calibre necessary to achieve the Group's strategic ambitions.
- The Remuneration Committee met three times during FY26.

Given the current size and complexity of the Group, the Board does not currently consider that a nominations committee is required.

8. Evaluate board performance based on clear objectives

The Board undertakes an annual evaluation of its effectiveness. Given the size of the Company and the Board, this comprises a structured internal self-assessment supported by a Chair-led discussion of performance, composition, and governance effectiveness.

The Board considers annually whether to engage an external provider to support this process, and commissions

an external evaluation when it considers this would add value. Factors considered when determining whether to commission an external evaluation include changes in the scale or complexity of the business and feedback from shareholders.

9. Establish a remuneration policy supportive of long-term value creation

Details of how the remuneration structure and practices of the Group support the achievement of the Group's strategic goals and the delivery of medium to long-term shareholder value are contained the Remuneration Report found at pages 41 to 44.

10. Communicate governance and performance by maintaining dialogue with shareholders and stakeholders

Engagement with our stakeholders is key to a successful business and is an ongoing part of managing our business.

The Group communicates with shareholders in a number of ways, including:

- the Group's annual report and accounts;
- full year and half-year result announcements;
- other regulatory announcements;
- the Annual General Meeting and outcomes;
- meetings with existing shareholders;
- webinars or roadshows; and
- one to one meetings with major (or potential) shareholders.

Corporate information available on the Company website includes:

- annual reports for the last six completed financial years;
- full and half year results announcements;
- notices of general meetings for the last six completed financial years; and
- other regulatory announcements.

The Company engages its broker and investor relations advisers to assist in shareholder interaction and feedback. The Board receives regular updates on the views of shareholders from these advisers.

Regular on-line Company wide meetings, off-site events and video updates from the Executive ensure that employees receive important updates. All employees are invited to watch the presentation by the Executive which follow the release of our half and full year results.

Employees are also directed to the Company website, internal HR portal and encouraged to keep up to date with Company reports.

The outcome of recent votes at general meetings can be found on the Company's website at <https://www.checkit.net/investor-relations/reports-documents/>, along with historical annual reports and other governance related materials.

Audit Committee report



Alex Curran

Non-Executive Director

Dear Shareholders,

I am pleased to present my report as Chair of the Audit Committee for the financial year ended 31 January 2026.

The Audit Committee plays a key role in providing assurance to shareholders over the integrity of the Company's financial reporting, including the Annual Report and accounts and other relevant public disclosures. In fulfilling this role, the Committee provides effective oversight and constructive challenge of both management and the independent external auditor.

The Committee supports the Board in overseeing the integrity of the Group's financial reporting, the effectiveness of internal controls and risk management systems, and the relationship with the independent external auditor. Its responsibilities also include oversight of the appointment and engagement of the external auditor, including audit tendering where appropriate, and the approval of non-audit services. In addition, the Committee reviews significant financial reporting matters, including key accounting issues, estimates and judgements arising in the preparation of the Group's financial statements, and reports its conclusions to the Board.

The Committee consists of Keith Daley and me. I was appointed Chair of the Committee in December 2024. Biographical details of the Committee members are set out on page 35 and are also available on the Company's website. The Board considers that, given the size and complexity of the Group, the Committee is appropriately constituted and has an adequate level of relevant financial and governance expertise. The Group applies the Quoted Companies Alliance Corporate Governance Code. The Committee operates in accordance with formal terms of reference, which are available on the Company's website at: <https://www.checkit.net/investor-relations/committees/>

Key responsibilities and activities

During the year, the Committee's work included:

- monitoring the integrity of the Group's financial statements and other key regulatory announcements;
- reviewing the independent auditor's audit plan, scope and findings;
- overseeing the effectiveness of the Group's risk management framework and internal control environment;
- reviewing the Group's procedures for detecting and responding to possible fraud, bribery and other wrongdoing;
- assessing the effectiveness, independence and objectivity of the independent auditor;
- making recommendations to the Board on the appointment and re-appointment of the independent auditor; and
- reviewing material accounting policies, judgements and disclosures.

The Committee reports on all such matters to the Board. The Committee met three times during the financial year. Representatives of the Company's independent auditor attended two of the meetings by invitation. The Committee also met with the independent auditor following the year end to discuss the findings of the annual audit and contents of the auditor's report. The Executive Directors are not members of the Committee but attend meetings by invitation, in particular those at which the interim and annual results are reviewed.

Annual report assessment

Following review, the Audit Committee considers that the Annual Report and accounts are fair, balanced and understandable and provide shareholders with sufficient information to assess the Company's position, performance, business model and strategy.

Internal audit and compliance

The Group has an appointed Compliance Manager, who is responsible for facilitating external audits, maintaining an internal audit programme, and supporting the effective management of risk across the business. The Committee reviewed internal audit and compliance activity during the year and concluded that the overall control and risk management framework remains effective and proportionate.

The Group maintains policies and processes aligned to the requirements of ISO 9001 and ISO 27001. These standards are independently audited on an annual basis, and the Group remained accredited to both as at 31 January 2026. These certifications demonstrate the Group's commitment to maintaining robust operational processes and a strong data security framework, in line with recognised industry standards.

Independence of the external auditor

The Audit Committee recognises the importance of maintaining the independence and objectivity of the external auditor and keeps the auditor relationship under regular review, having regard to relevant UK professional and regulatory requirements.

The Committee oversees auditor independence, including the nature and extent of any non-audit services and the level of audit and non-audit fees, and recommends to the Board the appointment or re-appointment of the external auditor. The Committee has adopted a policy governing the provision of non-audit services, which requires Audit Committee approval and is designed to ensure that such services do not impair auditor independence. All taxation advisory services are provided by a firm separate from the external auditor.

The external audit was conducted in accordance with International Standards on Auditing (UK). No non-audit services were provided by the external auditor during the year (FY25: nil), which the Committee considers supports the auditor's independence and objectivity.

The Committee assessed the effectiveness of the external auditor during the year and, following this review, recommended to the Board that the auditor be re-appointed for the forthcoming financial year.

Significant accounting judgements and estimates

After consideration with the Group's independent auditor, the Committee determined that the matters described on the following pages represent the most significant financial reporting issues and judgements in relation to the financial statements.

Going concern

The Group has prepared its financial statements on a going concern basis, as set out in Note 1.

The Committee has reviewed management's detailed cash flow projections, including sensitivity analysis. The Committee challenged the assumptions underpinning revenue growth, cost control, and liquidity headroom, and

considered the availability of mitigating actions in adverse scenarios. Based on this review the Committee concluded that it was appropriate for the financial statements to be prepared on a going concern basis. While the Formal Sale Process is underway, the Committee remains confident in the Company's ability to continue executing its strategy as a standalone business, irrespective of the outcome of the process, supported by the financial discipline, operational progress and strategic execution achieved in FY26.

Revenue recognition

The Committee reviewed the Group's revenue recognition policies, which are detailed in Note 1 and considered their application across the Group's contracts.

The Committee discussed with management the judgements applied in determining performance obligations, contract duration and the timing of revenue recognition, and considered the auditor's findings in this area. The Committee was satisfied that the policies adopted are appropriate and consistently applied.

Deferred taxation

The Committee reviewed management's assessment of the recoverability of deferred tax assets and the decision not to recognise a deferred tax asset at this stage.

The Committee considered the Group's forecast profitability and the uncertainty over the timing of future taxable profits. The Committee agreed that non-recognition remained appropriate. Further details are disclosed in Notes 1, 8 and 14.

Capitalised Development costs

The Committee reviewed management's assessment of capitalised development costs, focusing on the key judgements applied in determining useful economic lives and the assumptions underpinning impairment testing. This included consideration of the Group's product roadmap, technological developments and market conditions, as well as the reasonableness of cash flow forecasts and discount rates used in value-in-use calculations.

Based on this review, and supported by the work of management and the external auditors, the Committee concluded that the assumptions applied were reasonable and that the carrying value of capitalised development costs is appropriate at the reporting date, while noting the inherent estimation uncertainty in this area.

Approval

This report was approved by the Committee, on behalf of the Board, on the date shown below and signed on its behalf by:

Alex Curran

Chair of the Audit Committee
20 April 2026

Remuneration report



Keith Daley

Non-Executive Chairman

Dear Shareholders,

This Directors' Remuneration Report sets out the Company's approach to executive remuneration and provides details of directors' remuneration for the financial year ended 31 January 2026. Shareholders will be invited to approve this report in an advisory vote at the forthcoming Annual General Meeting.

As an AIM-quoted company, the Company is not required to comply with the UK statutory regime applicable to fully listed companies. However, the Board recognises the importance of transparent and well-governed remuneration arrangements and has therefore prepared this report voluntarily, having regard to the principles of the QCA Corporate Governance Code. The independent auditor is not required to audit, and has not, except where indicated, audited the information included in the Remuneration Report.

The Remuneration Committee seeks to ensure that remuneration structures support the Company's long-term strategy, promote sustainable growth, and align the interests of directors with those of shareholders.

Composition

The Remuneration Committee is responsible for setting and overseeing the remuneration of the Executive Directors and other members of senior management whose remuneration is considered material to the Company. For the purposes of this oversight, this currently includes employees with a base salary in excess of £160,000.

The Committee also determines the allocation and terms of all share option and equity-based incentive awards made to employees under the Company's share incentive schemes.

During the year, the Committee comprised:

- Keith Daley (Chair) - Non-Executive Director
- Alex Curan - Independent Non-Executive Director

The Committee met three times during the year.

No director is involved in decisions relating to their own remuneration.

Executive Directors' remuneration policy

The Remuneration Committee seeks to maintain an appropriate balance between fixed and variable elements of remuneration. Executive Director and senior management remuneration is set by reference to:

- Data from comparable companies including those that are listed and owned by private equity firms
- Conditions in the recruitment market
- Independent external advice (as appropriate)

The Company's remuneration policy is designed to:

- Attract, motivate, and retain high-calibre executives
- Align executive reward with the Company's strategic objectives and long-term shareholder value creation
- Reflect the Company's size, complexity, and stage of development
- Ensure remuneration outcomes are proportionate and performance-linked
- Maximise the use of tax advantaged schemes to minimise the gross cost to the Company

In determining remuneration outcomes, the Committee applies judgement and discretion, taking into account the Company's overall performance, financial position, market conditions, and the need to promote sustainable long-term growth.

Components of remuneration

Purpose	Principles and application
Basic salary	
To attract and retain high calibre Executives who are expected to design and execute an ambitious growth strategy.	Salaries are reviewed annually in light of benchmarking data (including the percentage awards given or proposed for Company staff) and competitor intelligence.
Pension	
To offer the opportunity for Executives to accrue pension rights in line with maximum HMRC limits.	Executives are eligible to join the Group pension scheme.
Benefits	
To offer a benefits package in line with best market practice.	Executives are offered family private medical cover and in-service death cover.
Annual bonus plan	
To incentivise strong short-term financial performance in each year.	Plans are reviewed and set annually with financial performance targets being identified in Q1. Payment may be in either cash or Company shares.
Long Term Incentive Plans (LTIP)	
To incentivise long-term performance and sustained improvement in shareholder value.	Plans are designed to offer executives a meaningful share of the value they create over three to five years

Application of the remuneration policy

Basic salary

During FY26 the Committee determined that no increase to base salaries would be made. This decision reflected the Executive Directors' wish to exercise restraint in light of the Company's cost reduction exercise.

In FY27, the Committee awarded an increase in base salaries of 3%, effective from 1 February 2026.

Annual bonus plan

In view of the current Formal Sale Process, Remco has withdrawn its bonus proposals and accordingly no executive director bonuses will be paid in respect of FY26.

Long Term Incentive Plans

During the year the Remuneration Committee awarded the following EMI share options to the Group's CFO, Kris Shaw

Date of award	Number of Options	Exercise price	Vesting date
18 June 2025	833,333	15 pence	18 June 2028
13 October 2025	781,250	16 pence	13 October 2028

The options expire on the tenth anniversary of the date of grant and may only be exercised if the Group has achieved breakeven or positive EBITDA both at the date of exercise and, on average, over the six months preceding the date of exercise.

Total outstanding share option awards

Options in issue as at 31 January 2026 are as follows:

Employee	Performance Criteria	Type of grant	Vesting date	Option price	Options at 31 January
Kit Kyte	EBITDA profitable	LTIP	9 January 2026	23p	500,000
Kit Kyte	EBITDA profitable	EMI	11 March 2027	20p	1,250,000
Kit Kyte	See below	LTIP	10 May 2026	5p	400,000
Kit Kyte	See below	LTIP	10 May 2027	5p	800,000
Kit Kyte	See below	LTIP	10 May 2028	5p	1,200,000
Kit Kyte	See below	LTIP	10 May 2029	5p	1,600,000
Kit Kyte total					5,750,000
Kris Shaw	EBITDA profitable	EMI	18 June 2028	15p	833,333
Kris Shaw	EBITDA profitable	EMI	13 October 2028	16p	781,250
Kris Shaw total					1,614,583
Total executive share options					7,364,583

Performance Criteria for Kit Kyte's 5p LTIP share options:

The Group's CEO, Kit Kyte, was granted options over 4,000,000 ordinary shares in July 2024. The options are subject to the achievement of performance targets and will vest in four increasing tranches.

The first tranche will vest on the date falling 10 business days after the publication of the Group's audited consolidated accounts for the Financial Year ending 31 January 2026 ("FY26") or, at the Board's absolute discretion, 10 business days after the publication of the Group's interim accounts for the six months ended 31 July 2026. The vesting date for each subsequent tranche will follow the same pattern. The options shall lapse (if not exercised) by 30 November 2029.

Each tranche will vest only if the relevant 'Rule of 40 Targets', 'L/EBIT Targets' and 'Share Price Targets' are achieved.

Vesting period	Number of Ordinary Shares subject to option	Rule of 40 Target	L/EBIT Target	Share Price Target
2026	400,000	10	(£2.5m)	55 pence
2027	800,000	20	(£0.9m)	70 pence
2028	1,200,000	30	£0.9m	85 pence
2029	1,600,000	40	£3.7m	100 pence

The performance conditions applicable to FY26 were not achieved and, accordingly, no options vested in respect of the first tranche at that assessment point. However, the tranche has not lapsed and remains capable of vesting subject to the achievement of the relevant performance conditions of the next or subsequent assessment dates.

Employment contracts

Executive Directors

Executive Directors are employed on service contracts terminable on six months' notice by the Company or the Director.

Non-executive Directors

Non-Executive Directors serve under letters of appointment terminable on three months' written notice by the Company or the Director. Their remuneration is determined by the Board (excluding the Non-Executive Directors) within the limits set by the Articles of Association and is based on fees paid in similar companies and the skills and expected time commitment of the individual concerned.

The Non-Executive Directors receive no remuneration or benefits in kind other than their basic fees and are not eligible for any equity-based incentive schemes.

Total Directors' Remuneration

Audited information

Year to 31 January 2026	Basic pay £'000	Benefits £'000	Bonuses £'000	Total £'000	Pension contribution ² £'000	Compensation for loss of office £'000	Single figure remuneration £'000
Executive Directors							
K Kyte	332	1	—	333	22	—	355
K Shaw	200	2	—	202	15	—	217
Non-Executive Directors							
K Daley	111	—	—	111	—	—	111
A Curran	43	—	—	43	—	—	43
Total	686	3	—	689	37	—	726

Year to 31 January 2025	Basic pay £'000	Benefits £'000	Bonuses £'000	Total £'000	Pension contribution ² £'000	Compensation for loss of office £'000	Single figure remuneration £'000
Executive Directors							
K Kyte	328	1	163	492	22	—	514
K Shaw	61	—	20	81	4	—	85
G Price	184	—	—	184	14	40	238
Non-Executive Directors							
K Daley	109	—	—	109	—	—	109
S Greenman	44	—	—	44	—	—	44
A Curran	43	—	—	43	—	—	43
Total	769	1	183	953	40	40	1,033

The emoluments of the highest paid Director in FY26 were £355,000 (FY25: £514,000).

The annual basic pay for each current serving Director is as follows:

	Basic pay at 31 January 2026 £'000	Basic pay at 31 January 2025 £'000
K Daley	111	111
A Curran	43	43
K Kyte	333	333
K Shaw	200	200
Total	687	687

Directors' share ownership

Unaudited information

The shares owned by the current Directors serving as at 31 January 2026 are as follows:

	Shares owned outright at the date of this report	Shares owned outright at 31 January 2026	Shares owned outright at 31 January 2025
K Daley	21,797,504	21,797,504	21,797,504
A Curran	1,600	1,600	1,600
K Kyte	1,878,870	1,878,870	167,872
K Shaw	125,710	125,710	-
Total	23,803,604	23,803,604	21,966,976

Approval

This report was approved by the Board of Directors on the date shown below and signed on its behalf by:

Keith Daley

Chair of Remuneration Committee

20 April 2026

Report of the Directors

The Directors present their annual report and accounts for the year ended 31 January 2026, together with the audited financial statements.

Principal activity

Checkit plc is the holding company of Checkit Europe Limited, Checkit Inc, Checkit LLC and three other non-trading companies detailed on page 72 (together, Checkit). Checkit is the leading provider of predictive operations for large facilities and multi-site locations, enabling operational agility and better decision making in large, complex, and multinational organisations.

Checkit's subscription business model offers optional plug-ins for integrated sensor networks and workflow task management. Checkit's solutions apply digital tools and monitoring to transform workforce management, and incorporate physical assets into a digital ecosystem using integrated sensors and monitoring devices.

A detailed review of the business, its results and future direction is included in the Strategic report set out on pages 1 to 33.

Results and future developments

The Group's loss on ordinary activities after taxation for the year was £2.8m compared to £3.6m last year. The Group's results are set out in the consolidated income statement on page 54 and are explained in the Chief Financial Officer's statement on pages 18 to 19.

The subsidiaries of the Group as at 31 January 2026 are listed in Note 13.

The Directors do not propose a dividend in respect of the year ended 31 January 2026 (2025: £nil).

Going concern

The Group's business activities, performance and position are set out in the Strategic report. The financial position of the Group is described on pages 18 to 19. Details of the key risks and uncertainties in the business, along with the mitigation actions in place, have been presented in the risks and uncertainties on pages 30 to 33.

The Directors have considered the going concern assumption and have reviewed detailed budgets for the next two years. Having considered the Group's cash flows and liquidity position, the Directors have concluded that the Group has adequate resources to continue operations for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements. While the Formal Sale Process is underway, the Directors

remain confident in the Company's ability to continue executing its strategy as a standalone business, irrespective of the outcome of the process, supported by the financial discipline, operational progress and strategic execution achieved in FY26.

Health, safety and environment

The Group recognises and accepts its responsibilities for maintaining high standards of health and safety management for all its operations to safeguard its employees, customers and the local community. The Group strives to minimise its impact on the environment and is committed to the maintenance of environmental controls as they relate to the business and aims to ensure that its activities comply at all times with relevant environmental legislation.

Streamlined energy and carbon reporting

The Group has chosen not to report data from any of its UK subsidiary undertakings as none of them are large companies and, therefore, are not required to report such information on a stand-alone basis. The parent company is exempt from reporting, as given the nature of its activities, it is a low energy user consuming less than 40MWh during the year.

Financial instruments

Principal financial risks and mitigating activities have been set out within the Strategic report. Additionally, Note 24 to the financial statements provides further details in respect of financial risk management and objectives.

Directors and their interests

The present membership of the Board is as follows:

- Kit Kyte, Chief Executive Officer;
- Kris Shaw, Chief Financial Officer;
- Keith Daley, Non-Executive Chairman; and
- Alex Curran, Non-Executive Director.

Biographical details of the current Directors are set out on page 35 and details of Directors' beneficial interests in the shares of the Company as at 31 January 2026 are set out in the Remuneration report on pages 41 to 44.

The Board follows best practice recommendations and, accordingly, the whole Board will be offering itself for re-appointment or appointment as appropriate.

Directors' indemnity arrangements

The Company has granted indemnities to each of its Directors of all losses arising out of or in connection with the execution of their powers, duties and responsibilities as Directors to the extent permitted by the Companies Act 2006 and the Company's articles.

Such qualifying third party indemnity provisions remain in force at the date of this report.

The Group has purchased and maintained throughout the year Directors' and Officers' liability insurance in respect of itself and its Directors.

Directors' remuneration

Details of Directors' remuneration are contained in the Remuneration report on pages 41 to 44.

Share capital

As at the date of this report, the total number of shares in issue (being ordinary shares of 5 pence each) is 108,008,562 (2025: 108,008,562).

Details of the share capital are given in Note 20 to the financial statements.

Substantial shareholdings

As at 17 April 2026 (being the latest practicable date before the publication of this report), the Company has been notified in accordance with Chapter 5 of the Disclosure Guidance and Transparency Rules of the following interests of 3% or more in its issued ordinary share capital:

D&A(UK) Holdings Limited	21.76%
Mr K Daley	20.18%
John Wilson and closely associated persons	8.12%
Herald Investment Management Limited	5.05%
Chelverton Asset Management	3.03%

As far as the Directors are aware, there were no other interests above 3% of the issued ordinary share capital.

The Company's website, www.checkit.net, provides updated information on substantial shareholdings.

Employees

The Group's policies are designed to provide for the welfare, health and safety of its employees. The Group is committed to ensuring there are equal opportunities for all employees, regardless of gender, race, age, disability, religion or sexual orientation, where it is reasonable and practicable within existing legislation. The Group offers training to employees, enabling them to enhance their skill base and assist the business in meeting future challenges. The Group runs annual equity, diversity and inclusion training sessions. The Group continues to keep its staff informed of matters affecting them as employees and of the various factors affecting the performance of the Group through regular communications, including fortnightly videos from the Chief Executive Officer.

Disclosure of information to the auditor

The Directors confirm that there is no relevant audit information of which the Group's auditor is unaware and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Annual General Meeting

The Company's AGM will be held at noon on 22 May 2026 at the offices of Fieldfisher LLP, Riverbank House, 2 Swan Lane, London, EC4R 3TT. Accompanying this annual report and accounts is a letter from the Chairman and a Notice of AGM that sets out the resolutions to be considered and approved at the meeting.

On behalf of the Board

Hugh Wooster

Group General Counsel and Company Secretary
20 April 2026

Registered number 00448274

Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent company financial statements for each financial year. As required by the AIM Rules of the London Stock Exchange, they are required to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards (IFRSs) and applicable law and have elected to prepare the parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that period. In preparing each of the Group and parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRSs;
- for the parent company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report and a Directors' report that comply with that law and those regulations.

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

Directors' responsibilities statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the annual report includes a fair review of the development and performance of the business, the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces; and
- the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

By order of the Board

Kris Shaw

Chief Financial Officer
20 April 2026

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Checkit plc

Annual Report and Accounts 2026

Financial Statements

Independent auditor's report to the members of Checkit plc

Opinion

We have audited the financial statements of Checkit plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2026 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes to the financial statements, including a summary of material accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 January 2026 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We

are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

We adopted a risk-based audit approach. We gained a detailed understanding of the group's business, the environment it operates in and the risks it faces.

The key elements of our audit approach were as follows:

In order to assess the risks identified, the engagement team performed an evaluation of the identified risks of the consolidated financial statements and considered the risk of material misstatement at the assertion level of the consolidated financial statements to determine the planned audit responses based on a measure of materiality.

The group audit was scoped by obtaining an understanding of the group and its environment, including the group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

In order to address the audit risks described in the key audit matters section which were identified during our planning process, we performed detailed audit procedures on 100% of consolidated revenues, 96% of consolidated assets and 99% of consolidated liabilities. We completed a full-scope audit of the financial statements of the parent company, Checkit plc, and specific audit procedures were performed over specific balances within remaining components of the group, focusing our audit approach on the applicable risks within each entity and the consideration of the risk of material misstatement of these risks for the group consolidated financial statements. All audit work was carried out by the group audit team.

Key audit matters

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

Risk Description	Our response to the risk
Revenue recognition: As detailed in note 1 to the financial statements, Summary of material accounting policies, the Group's revenue is generated from a number of streams, as follows: • subscription services, and • consultancy and other services. Given the material nature of revenue and the variety of methods it is generated through, the appropriateness of revenue recognition and management's application of the Group's revenue recognition accounting policies represents a key risk area of significant judgement in the financial statements. In particular, we consider that a significant risk arises on manual adjustments posted to revenue and on the occurrence of revenue for new SaaS contracts as there is greater potential for fraud and error than on existing contracts where revenues primarily arise from the release of contract liabilities recognised in the prior year.	We have assessed accounting policies for consistency and appropriateness with the financial reporting framework and in particular that revenue was recognised when performance obligations were fulfilled. In addition, we reviewed for the consistency of application as well as the basis of any recognition estimates. We have obtained an understanding of processes through which the businesses initiate, record, process and report revenue transactions. We performed walkthroughs of the processes as set out by management, to ensure controls appropriate to the size and nature of operations are designed and implemented correctly throughout the transaction cycle. A sample of contracts have been reviewed and tied through to sales transactions throughout the year. These have been vouched to invoice, signed contracts, sales quotes and purchase orders, and nominal posting. A complete listing of journals posted to revenue nominal codes has been obtained. We have tested unexpected manual adjustments to supporting evidence on a sample basis. We performed cut-off procedures on a sample of contracts spanning the year end. We verified this sample to originating documentation to provide evidence that transactions were recorded in the correct year, and any deferred revenue correctly calculated. Our procedures did not identify any material misstatements in the revenue recognised during the year.
Impairment of intangibles: The Group has a material intangible asset in relation to capitalised development costs. The Group's assessment of carrying value requires significant judgement, in particular regarding intention to complete the asset, technical feasibility of the projects capitalised and the ability to use or sell the assets generated.	We challenged the assumptions used in the assessment of whether impairment indicators exist for the capitalised development costs. We challenged the assessment of the useful economic life applied to a sample of assets capitalised and re-calculated the charges applied. We reviewed the performance of the underlying technology or development in generating economic resources via revenue results or margin improvement of those products/ revenue streams. We concur with the assessment that there is no identified impairment.
Impairment of investments (parent company only) The parent company balance sheet includes material investments in the subsidiaries of the group. The Carrying value requires a review each year for evidence of any potential impairment and this assessment requires judgement.	We challenge the assumptions used in the impairment model, including growth assumptions in trading forecasts. We perform sensitivity analysis to determine whether an impairment would be required if bookings growth was lower than the forecasted rate, or if costs increased at a higher than forecast rate. We concur with the assessment that there is no identified impairment.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in determining the nature, timing and extent of our audit procedures, in evaluating the effect of any identified misstatements, and in forming our audit opinion.

The materiality for the group financial statements as a whole was set at £287,000. This has been determined with reference to the benchmark of the group's revenue which we consider to be an appropriate measure for a group of companies such as these. Materiality represents 2% of revenue. Performance materiality has been set at 80% of group materiality.

The materiality for the parent company financial statements as a whole was set at £201,000 and performance materiality represents 80% of materiality. This has been determined with reference to the parent company gross assets, which we consider to be an appropriate measure for a holding company with investments in trading subsidiaries.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing management's cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements;
- Challenging management on key assumptions included in their forecast scenarios;
- Considering the potential impact of various scenarios on the forecasts;
- Reviewing results post year end to the date of approval of these financial statements and assessing them against original budgets; and
- Reviewing management's disclosures in the financial statements.

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information included in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 47, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Our assessment focused on key laws and regulations the group and parent company have to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, UK adopted international accounting standards, United Kingdom Generally Accepted Accounting Practice (UK GAAP), relevant tax legislation in the jurisdictions in which the group operates and the AIM Rules for Companies applicable to entities listed on the AIM market of the London Stock Exchange.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and

parent company and how the group and parent company is complying with that framework by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through review of board minutes for instances of non-compliance;

- obtaining an understanding of the group and parent company's policies and procedures and how the group and parent company has complied with these, through discussions and evaluating the design and implementation of controls;
- obtaining an understanding of the group and parent company's risk assessment process, including the risk of fraud;
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness with a focus on manual journals and those posted directly to the consolidation that increased revenue or that reclassified costs from the statement of comprehensive income to the balance sheet, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias specifically those in relation to development costs intangible assets.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

Justine Hughes

Senior Statutory Auditor

For and on behalf of Cooper Parry Group Limited

Statutory Auditor

Sky View

Argosy Road

East Midlands Airport

Caste Donington

Derby

DE74 2SA

20 April 2026

Consolidated statement of comprehensive income

year ended 31 January 2026

	Notes	2026 £m	2025 £m
Revenue	2	13.7	14.1
Cost of sales		(3.8)	(4.3)
Gross profit		9.9	9.8
Other operating income		0.2	—
Operating expenses	3	(9.8)	(12.1)
Adjusted EBITDA*		0.3	(2.3)
Depreciation and amortisation		(1.6)	(1.5)
Share-based payment charge		(0.2)	(0.1)
Non-recurring or special items	4	(1.1)	(0.5)
Operating loss	4	(2.6)	(4.4)
Finance income	5	—	—
Loss before taxation		(2.6)	(4.4)
Taxation	8	(0.2)	0.8
Loss for the year attributable to equity shareholders		(2.8)	(3.6)
Other comprehensive income/(expense)			
Exchange differences on translation of foreign operations		(0.1)	—
Total comprehensive loss for the year attributable to equity shareholders		(2.9)	(3.6)
Loss per share			
Basic EPS	10	(2.6)p	(3.3)p
Diluted EPS	10	(2.6)p	(3.3)p

The above statement should be read in conjunction with the accompanying notes on pages 58 to 79.

* Adjusted earnings before interest, tax, depreciation and amortisation "EBITDA" is calculated by taking operating loss and adding back depreciation and amortisation, share-based payment charge and non-recurring or special items (note 26).

Consolidated balance sheet

as at 31 January 2026

	Notes	2026 £m	2025 £m
Assets			
Non-current assets			
Goodwill arising on acquisition	11	0.2	0.2
Other intangible assets	11	6.6	6.1
Property, plant and equipment	12	0.5	0.9
Total non-current assets		7.3	7.2
Current assets			
Inventories	15	3.4	3.9
Trade and other receivables	16	2.7	3.7
Cash and cash equivalents		3.0	5.1
Total current assets		9.1	12.7
Total assets		16.4	19.9
Current liabilities			
Trade and other payables	17	7.4	7.9
Lease liabilities	22	0.2	0.2
Total current liabilities		7.6	8.1
Non-current liabilities			
Long-term lease liabilities	22	0.1	0.4
Long-term provisions	19	0.3	0.3
Total non-current liabilities		0.4	0.7
Total liabilities		8.0	8.8
Net assets		8.4	11.1
Equity attributable to the owners of the Company			
Called up share capital	20	5.4	5.4
Share premium	20	23.3	23.3
Capital redemption reserve	20	6.4	6.4
Other reserves	20	0.8	0.6
Translation reserve	20	(0.1)	—
Retained earnings	20	(27.4)	(24.6)
Total equity		8.4	11.1

The above statement should be read in conjunction with the accompanying notes on pages 58 to 79.

The financial statements of Checkit plc (registered no. 00448274) were approved by the Board of Directors on 20 April 2026 and were signed on its behalf by:

Kit Kyte
Chief Executive Officer

Kristian Shaw
Chief Financial Officer

Consolidated statement of changes in equity

year ended 31 January 2026

	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves £m	Translation reserve £m	Retained earnings £m	Total £m
At 31 January 2024	5.4	23.3	6.4	0.5	—	(21.0)	14.6
Loss for the year	—	—	—	—	—	(3.6)	(3.6)
Total comprehensive income for the year	—	—	—	—	—	(3.6)	(3.6)
Share-based payments	—	—	—	0.1	—	—	0.1
At 31 January 2025	5.4	23.3	6.4	0.6	—	(24.6)	11.1
Loss for the year	—	—	—	—	—	(2.8)	(2.8)
Other comprehensive income	—	—	—	—	(0.1)	—	(0.1)
Total comprehensive income for the year	—	—	—	—	(0.1)	(2.8)	(2.9)
Share-based payments	—	—	—	0.2	—	—	0.2
At 31 January 2026	5.4	23.3	6.4	0.8	(0.1)	(27.4)	8.4

The above statement should be read in conjunction with the accompanying notes on pages 58 to 79.

Consolidated statement of cash flows

year ended 31 January 2026

	Notes	2026 £m	2025 £m
Net cash outflow from operating activities	6	(0.1)	(1.2)
Investing activities			
Interest received on bank deposits		–	0.1
Purchase of property, plant and equipment		–	(0.2)
Investment in product development projects		(1.8)	(2.4)
Net cash used in investing activities		(1.8)	(2.5)
Financing activities			
Repayment of lease liabilities		(0.2)	(0.2)
Net cash utilised by financing activities		(0.2)	(0.2)
Net decrease in cash and cash equivalents		(2.1)	(3.9)
Cash and cash equivalents at the beginning of the year		5.1	9.0
Cash and cash equivalents at the end of the year		3.0	5.1

The above statement should be read in conjunction with the accompanying notes on pages 58 to 79.

Notes to the consolidated financial statements

year ended 31 January 2026

General information

Checkit plc (the Group or Checkit) is a public limited liability company incorporated in England and Wales and domiciled in the UK. The address of its registered office is Broers Building, J J Thomson Avenue, Cambridge CB3 0FA. The nature of the Group's operations and its principal activities are set out in the Report of the Directors on pages 45 and 46.

Statement of compliance with IFRS

The Group's material accounting policies are set out in Note 1 and have been applied consistently to all periods presented, unless otherwise stated.

The Group has adopted all new and amended standards and interpretations issued by the International Accounting Standards Board that are effective for the reporting period beginning 1 February 2025. No new standards, interpretations or amendments effective for the first time in the current period have had a material impact on the Group's financial statements.

Standards, amendments and interpretations that have been issued but are not yet effective have not been early adopted. The Directors do not expect these to have a material impact on the Group's consolidated results or financial position when they become effective.

1. Summary of material accounting policies

1a. Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards and the requirements of the Companies Act 2006 applicable to companies reporting under those standards. The financial statements have been prepared on a historical cost basis, except for the remeasurement of certain financial instruments.

These financial statements are presented in pounds sterling, the currency of the primary economic environment in which the Group operates, and all values are rounded to the nearest hundred thousand (£0.1m) except where otherwise stated.

1b. Going concern

The Directors have exercised significant judgement in assessing whether it is appropriate to adopt the going concern basis in preparing the financial statements.

In making this assessment, the Directors have prepared detailed cash flow forecasts for a period of at least twelve months from the date of approval of the financial statements. These forecasts are based on the Board-approved budget and reflect assumptions regarding future revenue growth, customer retention, operating

costs and working capital requirements, taking into account the Group's long-term subscription contracts and contracted recurring revenue. The forecasts also reflect management's assessment of current and anticipated market conditions.

Sensitivity analysis has been performed to consider the impact of reductions in forecast revenue and other adverse movements in trading performance. The Directors have also considered the availability of mitigating actions within management's control, including the reduction of discretionary expenditure, the deferral of capital and development expenditure, and other cost management measures, should trading performance differ from the base case.

Having considered the forecasts and sensitivities, the Directors have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future and that it remains appropriate to prepare the financial statements on a going concern basis. The Directors do not consider that the uncertainties identified give rise to a material uncertainty related to going concern. While the Formal Sale Process is underway, the Directors remain confident in the Company's ability to continue executing its strategy as a standalone business, irrespective of the outcome of the process, supported by the financial discipline, operational progress and strategic execution achieved in FY26.

1c. Critical accounting judgements

In applying the Group's accounting policies, the Directors are required to exercise judgement in areas that may have a material effect on the amounts recognised in the Financial Statements. The principal areas of judgement are set out below.

Capitalised development expenditure

The Group exercises significant judgement in determining whether development expenditure meets the recognition criteria for capitalisation under IAS 38 Intangible Assets. Development costs are capitalised only when the Directors are satisfied that all applicable recognition criteria have been met, including technical feasibility, intention and ability to complete and use or sell the asset, reliable measurement of costs, and the probability that the asset will generate future economic benefits.

In assessing whether future economic benefits are probable, the Directors consider a range of factors including current and forecast sales performance, anticipated future demand, the nature and commercial value of additional functionality being developed, and the resources required to complete the development roadmap. Given the inherent uncertainty associated with software development, including potential technical challenges and changing market conditions, these assessments require careful and ongoing judgement based on the information available at each reporting date.

Revenue recognition

The Directors exercise judgement in determining the appropriate timing of revenue recognition under IFRS 15.

The Group's revenue primarily comprises subscription-based software and related services provided under contractual arrangements. In applying IFRS 15, management assesses the nature of its performance obligations and whether control of the promised goods or services transfers to the customer over time or at a point in time.

The Directors have concluded that revenue from subscription arrangements and associated services is recognised over time, as customers simultaneously receive and consume the benefits of the services as they are provided. This reflects the recurring nature of the Group's contracts and the continuous provision of access to the Group's software platform.

In reaching this conclusion, management considers the contractual terms, the substance of the services provided, and whether individual elements of the contract are distinct performance obligations. Judgement is applied in determining whether certain implementation or ancillary services are separately identifiable or form part of a single over-time performance obligation.

Deferred tax assets on tax losses

The Group has accumulated tax losses which may be available for offset against future taxable profits. A deferred tax asset is recognised only to the extent that it is considered probable that future taxable profits will be available against which the losses can be utilised, in accordance with IAS 12.

The Directors have exercised judgement in assessing whether the recognition criteria for deferred tax assets have been met. In making this assessment, consideration is given to the Group's forecasts of future taxable profits, the timing of their reversal, and the period over which tax losses may be utilised.

Given the inherent uncertainty regarding the timing and level of future taxable profits, the Directors have concluded that it is not currently appropriate to recognise a deferred tax asset in respect of these losses. The unrecognised deferred tax assets are disclosed in Note 14. This assessment is reviewed at each reporting date.

1d. Critical accounting estimates and assumptions

In preparing the financial statements, the Directors are required to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of income and expenses during the period. These estimates and assumptions are based on historical experience and other relevant commercial and market factors. Actual results may differ from these estimates.

The key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

Amortisation and impairment of capitalised development costs

The Group capitalises development expenditure where the recognition criteria of IAS 38 are met. Once available

for use, capitalised development costs are amortised over their estimated useful economic lives.

Significant estimation uncertainty exists in determining the appropriate useful economic life of capitalised development assets. This requires management to assess the expected period over which the underlying software will generate economic benefits, taking into account factors such as product lifecycle, technological change, customer behaviour, competitive environment and the Group's product development roadmap. Changes in these assumptions could result in a material adjustment to future amortisation charges.

Capitalised development costs are also reviewed for impairment where indicators of impairment exist. The impairment assessment requires estimation of the recoverable amount of the relevant cash-generating unit, typically determined using value in use calculations. These calculations are based on cash flow forecasts derived from Board-approved budgets and strategic plans and require assumptions regarding future revenue growth, customer retention, gross margins, ongoing development investment and appropriate discount rates.

Given the evolving nature of the Group's technology and markets, actual outcomes may differ from those assumptions. If future trading performance does not meet expectations, this could result in a material impairment charge in a future period.

Share-based payments

The Group operates equity-settled share-based payment schemes. The fair value of options granted is determined at the grant date using an appropriate valuation model, such as the Black-Scholes or Monte Carlo model, and is expensed over the vesting period.

The valuation of share-based awards involves the use of significant estimates and assumptions, including expected volatility, expected option life, risk-free interest rates and expected forfeiture rates. Expected volatility is typically based on historical share price movements over a period commensurate with the expected life of the option. The expected life reflects management's estimate of the period over which options are expected to be exercised. Where awards include performance conditions additional modelling assumptions are used.

Changes in these assumptions could result in a material adjustment to the share-based payment charge recognised in the financial statements.

Hardware inventory provision

The Group holds hardware inventory for use in customer deployments. Inventory is stated at the lower of cost and net realisable value in accordance with IAS 2.

Significant estimation uncertainty arises in assessing the recoverability of hardware inventory, particularly in determining appropriate provisions for slow-moving, excess or obsolete items. Management reviews inventory on a regular basis and considers factors including historical usage, forecast customer deployments, product

lifecycle, technological developments and contractual commitments.

If actual deployment levels differ from forecast demand, or if technological changes occur more rapidly than anticipated, additional write-downs of inventory may be required in future periods. The estimates and assumptions underlying the valuation of inventory are reviewed at each reporting date.

1e. Basis of consolidation

The consolidated financial statements incorporate the financial statements of Checkit plc and its subsidiary undertakings for the year ended 31 January 2026. Subsidiaries are entities over which the Group has the power to control the financial and operating policies so as to obtain benefit from their activities. All subsidiaries are consolidated from the date on which control is obtained and are deconsolidated from the date control ceases. The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Unrealised gains arising from intra-group transactions are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency with the accounting policies adopted by the Group.

1f. Business combinations

Business combinations are accounted for using the acquisition method in accordance with IFRS 3.

The consideration transferred for an acquisition is measured at the fair value of the assets transferred, liabilities incurred or assumed, and equity instruments issued at the acquisition date. Acquisition-related costs are recognised in the consolidated statement of comprehensive income as incurred.

At the acquisition date, the identifiable assets acquired and liabilities assumed are recognised at their fair values. This includes the identification and valuation of separable intangible assets in accordance with IFRS 3. The determination of fair values requires the use of management estimates and assumptions, including expected future cash flows, growth rates, inflation assumptions and appropriate discount rates.

Goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired. Goodwill is recognised as an intangible asset within the consolidated balance sheet and includes non-identifiable intangible assets such as assembled workforce, know-how, business processes and expected synergies.

Where the fair value of the net identifiable assets acquired exceeds the consideration transferred, the resulting gain on bargain purchase is recognised immediately in profit or loss.

Where a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured to fair value at the acquisition date, with any resulting gain or loss recognised in profit or loss.

On disposal of a business, the attributable amount of goodwill is included in determining the gain or loss on disposal.

Goodwill

Goodwill is not amortised and is tested annually for impairment, or more frequently where indicators of impairment exist, in accordance with IAS 36. Goodwill is allocated to cash-generating units expected to benefit from the synergies of the combination. The impairment assessment involves judgement in determining the appropriate cash-generating units and estimation in forecasting future cash flows and determining appropriate discount and long-term growth rates.

1g. Intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's development is recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits;
- the development cost of the asset can be measured reliably;
- the project is technically and commercially feasible;
- the Group intends to and has sufficient resources to complete the project; and
- the Group has the ability to use or sell the services and product developed.

Estimation of the useful economic life for development costs is considered with regard to the future economic benefits which will be derived.

The cost of acquiring software (including associated implementation costs where applicable) that is not specific to an item of property, plant and equipment is classified as an intangible asset.

Amortisation of intangible assets is charged on a straight line basis over the estimated useful lives of intangible assets determined on an asset-by-asset basis. The estimated useful lives are as follows:

- | | |
|------------------------|------------|
| • Computer software | 3–10 years |
| • Acquired intangibles | 3 years |
| • Development costs | 2–5 years |

1h. Property, plant and equipment

The cost of property, plant and equipment is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated on the cost of each property, plant and equipment asset individually on a straight line basis and is designed to write off the costs of the assets less any residual value over their estimated useful lives. The estimated useful lives are:

- | | |
|------------------------------|-------------------|
| • Plant, equipment and tools | 3–15 years |
| • Motor vehicles | 4 years |
| • Fixtures and fittings | 8–16 years |
| • Leasehold improvements | Term of the lease |

Reviews are made periodically of the estimated remaining lives of individual productive assets, taking account of commercial and technological obsolescence as well as normal wear and tear. The carrying value is reviewed for impairment in the period if events or changes in circumstances indicate the carrying value may not be recoverable.

1i. Impairment of property, plant and equipment and intangible assets

The carrying amount of the Group's assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount is estimated.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount with the impairment loss recognised as an operating expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

1j. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises all direct expenditure and, where appropriate, production overheads based on the normal level of activity. Where necessary, provision is made for obsolete, slow-moving and defective stocks. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price less all estimated costs to completion.

1k. Employee benefits

Pensions to employees are provided through defined contribution plans.

A defined contribution plan is a pension plan under which

the Group pays fixed contributions to an independent entity. The Group has no legal obligations to pay further contributions after payment of the fixed contribution.

The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

1l. Share-based employee remuneration

The Group operates equity-settled share-based payment arrangements under which options and awards over ordinary shares are granted to employees.

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value is determined using an appropriate valuation model, such as the Black-Scholes or Monte Carlo model, taking into account the terms and conditions upon which the awards were granted.

The fair value determined at grant date is recognised as an expense in the consolidated statement of comprehensive income, with a corresponding increase in equity, on a straight-line basis over the vesting period. The cumulative expense recognised reflects management's estimate of the number of awards that will ultimately vest. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 20.

1m. Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;

- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

In addition, the Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate; or
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfer's ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group does not have any leases that transfer ownership of the underlying asset. The Group does not have any leases with a purchase option where there is a reasonable expectation that the option will be exercised. The right-of-use assets are presented within the same line item as that within which the corresponding underlying assets would be presented if they were owned – for the Group this is property, plant and equipment.

For short-term leases (lease term of twelve months or less) and leases of low value assets (such as personal computers and office furniture), the Group has opted to recognise a lease expense on a straight line basis as permitted by IFRS 16.

1n. Financial liabilities/assets

The Group's financial liabilities are trade and other payables and finance leasing liabilities. They are included in the balance sheet line items "trade and other payables".

All interest-related charges are recognised as an expense in "finance costs" in the statement of comprehensive income.

Trade payables are stated at their amortised cost.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides goods directly to a debtor. Receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value through impairment or reversal of impairment is recognised in the statement of comprehensive income.

Provision against trade receivables represents the expected lifetime credit losses for all trade receivables. The expected lifetime credit loss reflects assumptions on the ageing of overdue debts that may become unrecoverable, based upon historical observed default rates, adjusted for current economic environment.

1o. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts, and include cash at bank and in hand and bank deposits available at less than 24 hours' notice. Bank overdrafts and invoice discounting advances are presented as current liabilities to the extent that there is no right of offset with cash balances. The carrying value of these assets is approximately equal to their fair value.

1p. Taxation

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year.

Where an item of income or expense is recognised in the statement of comprehensive income, any related tax generated is recognised as a component of tax expense in the statement of comprehensive income. Where an item is recognised directly to equity and presented within the statement of comprehensive income, any related tax generated is treated similarly.

Deferred taxation

Deferred taxation is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

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

Deferred taxation is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the balance sheet date. The carrying value of deferred taxation assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which taxable temporary differences can be utilised. Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1q. Revenue recognition

The Group sells subscription services for workflow software and IoT sensors. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

To determine whether to recognise revenue, the Group follows a five-step process:

1. identifying the contract with a customer;
2. identifying the performance obligations;
3. determining the transaction price;
4. allocating the transaction price to the performance obligations; and
5. recognising revenue when/as performance obligation(s) are satisfied.

Subscription services

The Group recognises revenue depending on the substance and legal form of the contracts with its customers. Revenue is recognised once a legally binding contract between the Group and its customers has been established and the delivery of the service including installation, support and maintenance has commenced. The Group has assessed that the provision of these goods and services represent a single combined performance obligation over which control is considered to transfer over time as the respective elements are considered as being intertwined and therefore inseparable due to their value together.

Revenues are recognised monthly as the Group has an enforceable right to payment for contracted services provided.

The Group recognises liabilities for consideration received in respect of unsatisfied performance obligations under the service contracts and reports these amounts as part of other creditors.

Consultancy and other services

Consultancy or training service revenues are recognised at the point when the service has been delivered and are considered as separate performance obligations.

A receivable is recognised when the performance obligations are satisfied, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

1r. Foreign currencies

The individual financial statements of each Group company are prepared in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements are presented in pounds sterling, which is the functional currency of the parent company and the presentation currency of the Group.

Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing on the balance sheet date. Non-monetary assets and liabilities measured at historical cost in a foreign currency are not retranslated. Non-monetary items measured at fair value are translated at the exchange rate at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

1s. Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation.

1t. Financial risk management

In the course of its business, the Group is mainly exposed to liquidity risk and credit risk. Financial risk management is an integral part of the way the Group is managed. Financial risk management policies are set by the Board. Further details are included in the Report of the Directors.

The Group does not hold or use derivative financial instruments.

Liquidity risk

Liquidity risk represents the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages this risk by maintaining adequate levels of cash resources.

Credit risk

Credit risk arises because a counterparty may fail to perform its obligations. The Group is exposed to credit risk on financial assets such as cash balances, trade and other receivables.

The Group's credit risk is primarily attributable to its trade receivables. The amounts recognised in the balance sheet are net of appropriate allowances for doubtful receivables, estimated by the Group's management based on prior experience and its assessment of the current economic environment. Trade receivables are subject to credit limits and control and approval procedures in the operating companies. Due to its large geographic base, number of customers and mixed billing frequencies, the Group is not exposed to material concentrations of credit risk on its trade receivables.

Credit risk associated with cash balances is managed by transacting with financial institutions with high quality credit ratings. Accordingly, the Group's associated credit risk is limited. The Group has no significant concentration of credit risk.

The Group's maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Group balance sheet.

1u. Capital management

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes to the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

1v. Non-GAAP measures

These financial statements contain references to earnings before depreciation and amortisation, share-based payment and non-recurring or special items.

These financial measures do not have any standardised meaning prescribed by IFRS and are therefore referred to as non-GAAP measures. The non-GAAP measure used by the Company may not be comparable to similar measures used by other companies.

In line with the way the Board and Chief Operating Decision Maker review the business, non-recurring or special items are separately identified. Management has defined and reports such items as restructuring and integration costs, costs associated with acquisitions, amortisation of acquired intangible assets and other non-recurring and non-operating items.

The Board believes that this is a useful supplemental metric as it provides an indication of the results generated by the Company's principal business activities prior to consideration of how the results are impacted by one-time exceptional charges.

1w. Non-recurring items or special items

Non-recurring items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are material one-off items of income or expense that have been shown separately due to the significance of their nature or amount and do not reflect the ongoing cost base or revenue generating ability of the Group. In addition, management has defined charges in respect of amortisation of acquired intangibles as a special item requiring separate disclosure, if material.

2. Segmental reporting

Management provides information reported to the Chief Operating Decision Maker (CODM) as a single operating segment for the purpose of assessing performance and allocating resources. The CODM is the Chief Executive Officer.

The Group's main activities are the supply of connected workflow management, automated monitoring and building management, Internet of Things (IoT), and operational insight-based products and services.

Revenue by type

The following table presents the different revenue streams of Checkit:

	2026 £m	2025 £m
Recurring revenues from subscription services	13.2	13.1
Consultancy and other services	0.5	1.0
Total	13.7	14.1

Geographical information

The Group considers its operations to be in the following geographical regions:

	Revenue from external customers	
	2026 £m	2025 £m
United Kingdom	9.6	9.5
The Americas	3.5	3.8
Rest of World	0.6	0.8
Total	13.7	14.1

Information about major customers

During FY26, the Group had one customer who generated revenues of 13% of total revenue (FY25: 13%).

Revenue expected to be recognised

The Group expects to recognise revenue amounting to £5.3m (2025: £4.7m) in FY26 relating to performance obligations from existing contracts that are unsatisfied or partially satisfied as at 31 January 2026.

3. Net operating expenses

	2026 £m	2025 £m
Net operating expenses		
Selling and distribution costs	2.2	3.0
Administrative expenses	7.6	9.0
Total operating expenses	9.8	12.0

Non-recurring or special items are disclosed separately to improve visibility of the underlying business performance.

Management has defined such items as restructuring, amortisation of acquired intangibles and other non-recurring items incurred outside the normal course of business.

4. Operating loss

	2026 £m	2025 £m
Operating loss is stated after charging:		
Product development costs expensed	2.0	2.0
Depreciation on owned property, plant and equipment	0.1	0.2
Depreciation on right-of-use assets	0.2	0.2
Amortisation on development costs	1.0	0.9
Amortisation on computer software	0.3	0.2
Auditor's remuneration:		
– fees payable to the Company's auditor for the audit of the Company's annual accounts	0.1	0.1
– fees payable to the Company's auditor for the audit of the Company's subsidiaries pursuant to legislation	—	—
Total audit fees for audit services	0.1	0.1
Tax services	—	—
Total auditor's remuneration	0.1	0.1
Non-recurring or special items:		
– restructuring and integration costs	0.8	0.2
– HMRC investigation	—	0.2
– Transaction costs	0.2	0.1
– intangible asset impairment	0.1	—
Total non-recurring or special items	1.1	0.5

Cooper Parry Group Limited was paid £nil for non-audit services (2025: £nil).

5. Finance income

The Group incurred finance costs in relation to IFRS 16 lease liabilities of less than £0.1m (2025: less than £0.1m) and recognised interest income of less than £0.1m (2025: less than £0.1m).

6. Net cash flows from operating activities

	Notes	2026 £m	2025 £m
Loss before interest and taxation			
– from continuing operations		(2.6)	(4.4)
Adjustments for:			
Depreciation	12	0.3	0.4
Amortisation	11	1.3	1.1
Share-based payments		0.2	0.1
Operating cash flow before working capital changes		(0.8)	(2.8)
Decrease/(increase) in trade and other receivables		1.0	1.6
Decrease/(increase) in inventories		0.5	(0.1)
Increase/(decrease) in trade and other payables		(0.8)	(0.1)
Operating cash flow after working capital changes		(0.1)	(1.4)
Increase/(Decrease) in provisions		(0.1)	0.1
Cash utilised by operations		(0.2)	(1.3)
Tax charge / (credit) on continuing operations		0.1	0.1
Net cash outflow from operating activities		(0.1)	(1.2)

7. Staff information (including Directors)

Employee costs were:

		2026 £m	2025 £m
	Note		
Wages and salaries		8.3	10.4
Social security costs		1.0	1.2
Other pension costs	23	0.4	0.4
		9.7	12.0

The average monthly number of people employed by the Group during the year, including Executive Directors, was as follows:

	2026 Number	2025 Number
Administration and sales	76	87
Development	38	51
Field service	21	23
	135	161

Details of Directors' remuneration are included in the Remuneration report on page 44.

8. Taxation

(a) Analysis of tax credit for the year

	2026 £m	2025 £m
Current taxation:		
UK corporation tax (credit) on loss for the year	—	(0.3)
Adjustment in respect of prior periods	0.2	(0.5)
Total current taxation	0.2	(0.8)
Total deferred taxation	—	—
Tax credit on continuing operations	0.2	(0.8)

(b) Factors affecting taxation credit for the year

The effective tax rate for the year was 25% (2025: 25%).

	2026 £m	2025 £m
Loss on ordinary activities before taxation	(2.6)	(4.4)
Loss on ordinary activities multiplied by weighted average standard rate of corporation tax in the UK of 25%	(0.7)	(1.1)
Effects of:		
Expenses not deductible for tax purposes	—	0.6
Income not taxable	—	(0.8)
Temporary differences not recognised	0.7	0.6
Adjustment in respect of prior periods	0.2	(0.6)
R&D tax credit	—	0.5
	0.2	(0.8)

(c) Factors that may affect future taxation charges

Deferred taxation assets amounting to £8.1m (2025: £7.4m) have not been provided in respect of unutilised income tax losses of £32.3m (2025: £29.5m) that can only be carried forward against future taxable income of that same trade as there is currently insufficient evidence that these assets will be recovered.

9. Dividends paid

No interim or final dividend was paid for the year ended 31 January 2026 (2025: £nil).

10. Earnings per share

Earnings per share (EPS) is the amount of post-tax profit attributable to each share (excluding those held by the Company). Basic EPS measures are calculated as the Group profit for the year attributable to equity shareholders divided by the weighted average number of shares in issue during the year. Diluted EPS takes into account the dilutive effect of all outstanding share options priced below the market price, in arriving at the number of shares used in its calculation.

Both of these measures are also presented on an adjusted basis, to remove the effects of non-recurring or special items, being items of both income and expense which are sufficiently large, volatile or one-off in nature, to assist the reader of the financial statements to get a better understanding of the underlying performance of the Group. The Note below demonstrates how this calculation has been performed.

	Key	2026 £m	2025 £m
Weighted average number of shares for the purpose of basic earnings per share	A	108.0	108.0
Dilutive effect of employee share options ¹		—	—
Weighted average number of shares for the purpose of diluted earnings per share	B	108.0	108.0

	Key	2026 £m	2025 £m
Loss for the year	C	(2.8)	(3.6)
Total non-recurring or special items net of tax		0.9	0.4
Loss for adjusted EPS	D	(1.9)	(3.2)

	Key	2026	2025
EPS measures			
Basic and diluted ¹ EPS	C/A	(2.6)p	(3.3)p
Adjusted EPS measures			
Adjusted basic and diluted ¹ EPS	D/A	(1.8)p	(2.9)p

The adjusted EPS information is considered to provide a fairer representation of the Group's trading performance.

Total earnings per share for the year attributable to equity shareholders

	Key	2026	2025
EPS measures			
Basic EPS	C/A	(2.6)p	(3.3)p
Diluted EPS ¹	C/B	(2.6)p	(3.3)p

¹ In the current and prior year, the impact of employee share options has been excluded from the diluted EPS calculation as their effect would be anti-dilutive, reflecting the loss from continuing operations for the year.

11. Intangible assets

	Development costs £m	Computer software £m	Acquired intangible assets £m	Goodwill £m	Total £m
Cost					
At 1 February 2024	11.8	1.0	4.3	4.5	21.6
Additions	2.4	—	—	—	2.4
Disposals	—	—	—	—	—
At 31 January 2025	14.2	1.0	4.3	4.5	24.0
Additions	1.8	—	—	—	1.8
Disposals	(6.0)	—	—	—	(6.0)
At 31 January 2026	10.0	1.0	4.3	4.5	19.8
Amortisation					
At 1 February 2024	7.5	0.5	4.3	4.3	16.6
Charge for the year	0.9	0.2	—	—	1.1
Disposals	—	—	—	—	—
At 31 January 2025	8.4	0.7	4.3	4.3	17.7
Charge for the year	1.0	0.3	—	—	1.3
Disposals	(6.0)	—	—	—	(6.0)
At 31 January 2026	3.4	1.0	4.3	4.3	13.0
Carrying amount					
At 31 January 2025	5.8	0.3	—	0.2	6.3
At 31 January 2026	6.6	—	—	0.2	6.8

Acquired intangible assets are made up of the separately identified intangibles acquired with the purchase of Next Control Systems in May 2019 and those acquired with the purchase of Checkit LLC in February 2021.

Impairment testing for goodwill

The Group identifies cash-generating units (CGUs) at the operating company level, as this represents the lowest level at which cash inflows are largely independent of other cash inflows. Goodwill acquired in a business combination is allocated, at acquisition, to the groups of CGUs that are expected to benefit from that business combination.

Goodwill relates to the acquisition of Checkit UK Limited in May 2019 and of Checkit LLC in February 2021. The goodwill in relation to Checkit UK Limited has been fully impaired.

Goodwill values have been tested for impairment by comparing them against the “value in use” in perpetuity of the relevant CGU group. The value in use calculations were based on projected cash flows, derived from the latest forecasts prepared by management and budgets approved by the Board, discounted at CGU specific, risk adjusted, discount rates to calculate their net present value.

Key assumptions used in “value in use” calculations

The calculation of “value in use” is most sensitive to the CGU specific operating and growth assumptions that are reflected in management forecasts for the five years to January 2031. CGU specific operating assumptions are applicable to the forecasted cash flows and relate to revenue forecasts and forecast operating margins in each of the operating companies and are based on the strategic plans for the Group. Long-term growth rates are capped at 1%.

The revenue growth rates used in the cash flow forecast are based on management's expectations of the future opportunities for the Checkit platform and the ability to upsell to existing customers on a global basis, including the planned US expansion. The forecasts include the costs associated with delivering the Checkit platforms, which are directly linked to the forecast sales growth.

Discount rates are based on estimations of the assumptions that market participants operating in similar sectors would make, using the Group's economic profile as a starting point and adjusting appropriately. Sensitivity to the discount rate has been applied to evaluate impairment testing using discount rates ranging from 25% to 50%.

The carrying value of goodwill in relation to the acquisition of Checkit LLC has not identified any impairment.

12. Property, plant, and equipment

	Property £m	Plant and machinery £m	Equipment, fixtures, fittings and vehicles £m	Total £m
Cost				
At 1 February 2024	0.8	0.4	1.2	2.4
Additions	0.2	—	0.3	0.5
Disposals	(0.2)	—	(0.1)	(0.3)
At 31 January 2025	0.8	0.4	1.4	2.6
Additions	—	—	—	—
Disposals	(0.3)	(0.1)	(0.5)	(0.9)
At 31 January 2026	0.5	0.3	0.9	1.7
Depreciation				
At 1 February 2024	0.5	0.2	0.9	1.6
Charge for the year	0.1	0.1	0.2	0.4
Disposals	(0.2)	—	(0.1)	(0.3)
At 31 January 2025	0.4	0.3	1.0	1.7
Charge for the year	0.1	—	0.2	0.3
Disposals	(0.2)	—	(0.6)	(0.8)
At 31 January 2026	0.3	0.3	0.6	1.2
Net book value				
At 31 January 2025	0.4	0.1	0.4	0.9
At 31 January 2026	0.2	—	0.3	0.5

Included within property, plant and equipment are right-of-use assets with a carrying value of £0.3m (2025: £0.6m) (see Note 22).

13. Investment in subsidiary undertakings

The subsidiary undertakings at 31 January 2026 were:

Name	Registered office	Country of incorporation	Nature of business	Shares held by Group
Checkit Europe Limited	Broers Building, J J Thomson Avenue, Cambridge, UK	England and Wales	Web-based service for work management and automated monitoring	100%
Checkit UK Limited	Broers Building, J J Thomson Avenue, Cambridge, UK	England and Wales	Dormant company	100%
Checkit LLC	485 Mariner Blvd, Spring Hill, Florida 34609, USA	USA	Web-based service for work management and automated monitoring	100%*
Checkit Inc	11849 Telegraph Road, Santa Fe Springs, California 90670, USA	USA	Holding company	100%
Hartest Precision Instruments Limited	Broers Building, J J Thomson Avenue, Cambridge, UK	England and Wales	Dormant company	100%
Hartest Precision Instruments India Private Limited	304, Plot No.7, Mahajan Tower LSC, Shreshtha, Vihar, Delhi-110092	India	Dormant company	100%

* Includes holdings held indirectly through Checkit Inc.

All subsidiary undertakings are operated primarily in the country of incorporation.

The Group has applied the applied the audit exemption available under Section 479A of the Companies Act 2006 for certain subsidiary undertakings. These exemptions were taken on the basis that the parent company, Checkit plc, has provided a statutory guarantee of all outstanding liabilities for the financial year ended 31 January 2026, as required by Section 479C.

The subsidiaries that claimed audit exemption during the year are:

Checkit Europe Limited (Company number: 09343487)

Checkit UK Limited (Company number: 02540171)

The guarantee statements for these subsidiaries have been filed with Companies House in accordance with the requirements of the Companies Act.

14. Deferred tax

	Deferred tax asset		Deferred tax liability	
	2026 £m	2025 £m	2026 £m	2025 £m
Deferred tax	—	—	—	—

Deferred taxation assets have not been provided in respect of unutilised income tax losses that can be carried forward against future taxable income as there is currently uncertainty over their offset against future taxable profits and therefore their recoverability.

No deferred tax liabilities have been provided in respect of the unremitted earnings of the overseas subsidiaries. The amount of such unremitted earnings is estimated to be a retained profit of less than £0.1m (2025: less than £0.1m).

15. Inventories

	2026 £m	2025 £m
Finished goods and goods for resale	3.4	3.9
	3.4	3.9

In the ordinary course of business, the Group makes provision for slow-moving, excess and obsolete inventory as appropriate. Inventory is stated after releasing impairments of £0.1m in the year (2025: charging less than £0.1m), which are included within operating profit.

The amount of inventory recognised as an expense within cost of sales amounted to £1.2m (2025: £1.4m).

16. Trade and other receivables

	2026 £m	2025 £m
Gross trade receivables	1.9	1.8
Less: expected credit losses	—	(0.1)
Trade receivables — net	1.9	1.7
Other receivables	0.4	1.4
Prepayments	0.4	0.6
	2.7	3.7

The fair values of trade and other receivables are considered to be as stated above.

The Group applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables, as these do not have a significant financing component. The expected lifetime credit losses reflect assumptions on the ageing of the overdue debts that may become unrecoverable, equivalent to a total Group rate of 1.3% (2025: 3.2%). The provision is based upon historical observed default rates over the expected life of trade receivables, adjusted for an assessment of the current economic environment.

Trade receivables are normally due within 30 to 90 days and do not bear any effective interest rate. Failure to receive payment within 180 days of payment due date is considered indication of no reasonable expectation of recovery. One customer makes up 13% of Group annualised revenues (2025: 13%) but based on the Group's assessment of its credit rating the risk of failure is considered low.

Trade receivable days are 50 days (2025: 44 days normalised). Trade debtors include significant sales invoices for subscriptions due annually in advance, sales which are consequently included in deferred income on the balance sheet and are not recognised revenue.

Ageing of balances with expected credit losses is as follows:

	Expected credit loss	
	2026 £m	2025 £m
Not past due	—	—
Between one month and two months past due	—	—
Over two months past due	—	0.1
	—	0.1

Movements on the provision for impairment of trade receivables are as follows:

	Expected credit loss	
	2026 £m	2025 £m
At 1 February	0.1	0.2
Decrease in provision	(0.1)	(0.1)
At 31 January	—	0.1

The gross carrying amounts of trade and other receivables are denominated in the following currencies:

	2026 £m	2025 £m
Sterling	2.4	3.3
US Dollar	0.3	0.3
	2.7	3.6

17. Trade and other payables

	2026 £m	2025 £m
Trade payables	0.4	1.0
Other payables	0.7	0.9
Accruals	1.0	1.3
Deferred service and subscription income	5.3	4.7
	7.4	7.9

Management considers the carrying amounts of trade and other payables recognised in the balance sheet to be a reasonable approximation of their fair value.

Trade payable days are 17 days (2025: 34 days).

Service and subscription income contracts vary from 12–48 months in length; however, customers are only required to pay in advance for each successive twelve month period.

The amounts recognised as a contract liability will generally be utilised within the next reporting period.

18. Borrowings

The Company has an available overdraft facility of £1,000,000 with its principal bankers. As at the reporting date, the facility remained undrawn and is therefore fully available to the Company.

19. Provisions

	2026 £m	2025 £m
Current	—	—
Non-current	0.3	0.3
	0.3	0.3

	Dilapidation costs £m	Other provisions £m	Total £m
At 1 February 2025	0.2	0.1	0.3
Utilised	—	—	—
Increase in provision	—	—	—
At 31 January 2026	0.2	0.1	0.3
Anticipated utilisation			
Within one year	—	—	—
Beyond one year	0.2	0.1	0.3

The dilapidation costs relate to redecoration, maintenance and reinstatement costs required to meet the terms of property leases held by the Group.

20. Share capital and reserves

Share capital

	2026 £m	2025 £m
Authorised 200,000,000 (2025: 200,000,000) ordinary shares of 5 pence each	10.0	10.0
Allotted, called up and fully paid 108,008,562 (2025: 108,008,562) ordinary shares of 5 pence each	5.4	5.4

Share options

Issue year	Vesting year	Exercise period	Option price	FY26	FY25
FY21	FY24	FY24 - FY31	40.50	45,000	885,000
FY22	FY25	FY25 - FY32	55.56	5,000	227,500
FY22	FY25	FY25 - FY32	57.00	—	372,500
FY23	FY26	FY26 - FY33	40.00	42,500	725,000
FY23	FY26	FY26 - FY33	23.00	500,000	580,000
FY24	FY27	FY27 - FY34	23.00	272,500	715,000
FY24	FY27	FY27 - FY34	30.00	69,000	405,000
FY25	FY28	FY25 - FY35	5.00	4,000,000	4,000,000
FY25	FY28	FY25 - FY35	19.50	417,500	643,500
FY25	FY28	FY25 - FY35	20.00	1,250,000	1,250,000
FY26	FY29	FY29 - FY36	15.00	3,724,333	—
FY26	FY29	FY29 - FY36	16.00	781,250	—
				11,107,083	9,803,500

Movement in share options during the year:

	2026		2025	
	No. of shares '000	Weighted average	No. of shares '000	Weighted average
Outstanding at beginning of the year	9,804	20.2p	6,726	35.3p
Granted during the year	5,057	15.2p	6,006	9.8p
Exercised during the year	—	—	—	—
Forfeited during the year	(3,753)	34.6p	(2,928)	29.3p
Outstanding at the year end	11,108	13.1p	9,804	20.2p
Exercisable at the end of the period	593	25.8p	1,560	46.9p

During the year, 5,056,583 (2025: 6,006,000) share options were granted, of which 2,486,000 were issued as replacement options to employees who surrendered previously granted options that were materially under water, in exchange for newly priced awards.

Valuation of share awards

Share-based payments, including awards under the EMI, CSOP and LTIP, are valued using an independent probability valuation model and take account of performance criteria (if any).

The Group recognised a charge of £0.2m in the year (2025: charge of £0.1m).

Reserves

The nature of the reserves shown in the consolidated balance sheet and consolidated statement of changes in equity is as follows:

Share premium

Amount subscribed for share capital in excess of nominal value.

Capital redemption reserve

The cumulative nominal value of own shares acquired by the Company.

Translation reserve

Gains and losses arising on retranslating the net assets of overseas operations into Sterling.

Other reserves

A reserve arising from the application of IFRS 2 "Share-based Payments".

Retained earnings

Cumulative gains and losses recognised in the consolidated statement of comprehensive income not included above.

21. Capital commitments

Expenditure sanctioned but not contracted for amounted to £nil (2025: £nil), and expenditure contracted but not provided for in the financial statements amounted to £nil (2025: £nil).

22. Leases

The right-of-use assets recognised and the movement during the year is as follows:

	Property £m	Motor vehicles and equipment £m	Total £m
Cost			
At 1 February 2024	1.1	0.7	1.8
Additions	0.2	0.1	0.3
Disposals	(0.4)	—	(0.4)
At 31 January 2025	0.9	0.8	1.7
Additions	—	—	—
Disposals	(0.4)	(0.5)	(0.9)
At 31 January 2026	0.5	0.3	0.8
Depreciation			
At 1 February 2024	0.8	0.5	1.3
Charge for the year	0.1	0.1	0.2
Disposals	(0.4)	—	(0.4)
At 31 January 2025	0.5	0.6	1.1
Charge for the year	0.1	0.1	0.2
Disposals	(0.3)	(0.5)	(0.8)
At 31 January 2026	0.3	0.2	0.5
Net book value			
At 31 January 2025	0.4	0.2	0.6
At 31 January 2026	0.2	0.1	0.3

	Total £m
Lease liabilities	
As at 1 February 2025	0.6
New leases entered into during the year	—
Disposals	(0.1)
Payments made during the year	(0.2)
At 31 January 2026	0.3
Presented as:	
Lease liability within one year	(0.2)
Lease liability in more than one year	(0.1)
At 31 January 2026	(0.3)

The table below summarises the maturity profile of the Group's financial liabilities based upon the contractual undiscounted payments as at 31 January 2026.

	2026 £m
No later than one year	(0.2)
Later than one year and no later than five years	(0.1)
Later than five years	—
	(0.3)

23. Retirement benefit schemes

The Group operates a Group Personal Pension Plan (which is a defined contribution scheme) for all qualifying employees. The assets of the schemes are held separately from those of the Group in funds under the control of the trustees.

Contributions to the Group Personal Pension Plan and to other personal pension plans are charged to the statement of comprehensive income as they become payable. The pension cost charge for the year was £0.4m (2025: £0.3m) and outstanding contributions at the year end amounted to £0.1m (2025: less than £0.1m).

24. Financial assets and liabilities

(i) Financial instruments

The Group's financial instruments comprise cash and cash equivalents, and various items such as trade receivables and payables that arise directly from its operations. The Group has not entered into derivative transactions nor does it trade in financial instruments as a matter of policy. The main risk arising from the Group's financial instruments is liquidity risk. The Board's policy on each is described in Note 1 and is subject to regular monitoring and review, and remains unchanged since 2021. Operations are financed through working capital management and existing cash resources.

Treasury matters are dealt with on a Group basis and are approved by the Board.

(ii) Financial assets

Details of trade and other receivables are provided in Note 16. The only other current financial asset held is cash and cash equivalents. The cash balances as at 31 January 2026 are detailed below:

	2026 £m	2025 £m
US Dollar	2.7	0.6
Pound Sterling	0.3	4.5
	3.0	5.1

(iii) Financial liabilities

At 31 January 2026, the Group had no borrowings.

(iv) Maturity

All financial liabilities are contractually due within six months.

(v) Fair value of financial assets and liabilities

IFRS 7 "Financial Instruments" requires disclosure of fair value measurements by the level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets (Level 1);
- inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (Level 2); and
- inputs for the asset or liability that are not based on observable market data (Level 3).

There are no applicable financial assets at the end of 31 January 2026 (2025: £nil).

(vi) Committed undrawn borrowing facilities

At the year end, the Group had committed undrawn facilities of £1.0m (2025: £nil).

(vii) Currency risk

The Group's principal functional currency remains Pound Sterling with transactions in Euro and US Dollar.

The Group does not trade in derivatives or make speculative hedges. At 31 January 2026, the Group had no commitments under non-cancellable forward contracts (2025: £nil).

(viii) Categories of financial instruments

	2026 £m	2025 £m
Financial assets held at amortised cost		
Cash and bank balances	3.0	5.1
Trade and other receivables (Note 16)	2.3	3.1
	5.3	8.2

	2026 £m	2025 £m
Financial liabilities held at amortised cost		
Trade and other payables (Note 17)	1.1	1.9

25. Related party transactions

(a) Transactions between Group companies, which are related parties, have been eliminated on consolidation and have therefore not been disclosed.

(b) Key management of the Group are the Directors and other members of the other members of the leadership team.

Key management personnel remuneration was:

	2026 £m	2025 £m
Short-term employee benefits:		
Salaries including bonuses	1.2	1.3
Social security costs	0.2	0.2
	1.4	1.5
Post-employment benefits:		
Defined contribution pension plans	0.1	0.1
Total remuneration	1.5	1.6

Share-based payments to key management amounted to £nil (2025: £nil).

26. Non-GAAP performance measures

A reconciliation of non-GAAP performance measures to reported results is set out below:

Profit measures — EBITDA

	2026 £m	2025 £m
EBITDA	0.3	(2.3)
Depreciation and amortisation	(1.6)	(1.5)
Share-based payment charge	(0.2)	(0.1)
Non-recurring or special items	(1.1)	(0.5)
Operating loss for the year	(2.6)	(4.4)

Parent company balance sheet

as at 31 January 2026

	Notes	2026 £m	2025 £m
Fixed assets			
Investments in subsidiary undertakings	3	14.5	14.5
Intangible assets		–	0.2
Tangible fixed assets	4	0.1	0.2
Total non-current assets		14.6	14.9
Current assets			
Debtors	5	26.0	24.7
Cash in hand and at bank		0.2	3.1
Total current assets		26.2	27.8
Total assets		40.8	42.7
Current Liabilities			
Creditors: amounts falling due within one year	6	(4.9)	(5.6)
Total current liabilities		(4.9)	(5.6)
Long-term liabilities			
Long-term lease liabilities		–	(0.1)
Long-term provisions	7	(0.1)	(0.1)
Total long-term liabilities		(0.1)	(0.2)
Total liabilities		(5.0)	(5.8)
Net assets		35.8	36.9
Capital and reserves			
Called up share capital	8	5.4	5.4
Share premium		23.3	23.3
Capital redemption reserve		6.4	6.4
Other reserves		0.8	0.6
Profit and loss account		(0.1)	1.2
Shareholders' funds		35.8	36.9

The parent company's loss for the financial year amounted to £1.3m (2025: £2.1m).

The notes form an integral part of the financial statements.

The financial statements were approved by the Board of Directors on 20 April 2026 and were signed on its behalf by:

Kit Kyte
Chief Executive Officer

Kristian Shaw
Chief Financial Officer

Parent company statement of changes in equity

year ended 31 January 2026

	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserves £m	Profit and loss account £m	Total £m
At 1 February 2024	5.4	23.3	6.4	0.5	3.3	38.9
Profit for the year	—	—	—	—	(2.1)	(2.1)
Total comprehensive income for the year	—	—	—	—	(2.1)	(2.1)
Share based payments	—	—	—	0.1	—	0.1
At 31 January 2025	5.4	23.3	6.4	0.6	1.2	36.9
Loss for the year	—	—	—	—	(1.3)	(1.3)
Total comprehensive income for the year	—	—	—	—	(1.3)	(1.3)
Share based payments	—	—	—	0.2	—	0.2
At 31 January 2026	5.4	23.3	6.4	0.8	(0.1)	35.8

Notes to the parent company financial statements

year ended 31 January 2026

1. Accounting policies

Basis of preparation

The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 (FRS 100) issued by the Financial Reporting Council. Accordingly, the financial statements have therefore been prepared in accordance with Financial Reporting Standard 101 (FRS 101) "Reduced Disclosure Framework" as issued by the Financial Reporting Council.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement and certain related party transactions. Where required, equivalent disclosures are given in the consolidated financial statements.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those set out in Note 1 to the consolidated financial statements except as noted below:

Investments

Investments in subsidiaries and associates are stated at cost less, where appropriate, provisions for impairment.

2. Profit for the financial year

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year amounted to £1.3m (2025: £2.1m loss).

3. Investments in subsidiary undertakings

	2026 £m	2025 £m
At 1 February	14.5	14.5
Provisions	—	—
At 31 January	14.5	14.5

Investment in subsidiary undertakings are made up as follows:

	Cost £m	Impairment £m	Net book value	
			2026 £m	2025 £m
Checkit Europe Limited	9.0	—	9.0	9.0
Checkit UK Limited	10.5	(5.0)	5.5	5.5
Checkit Inc	—	—	—	—
Hartest Precision Instruments India Private Limited	—	—	—	—
Hartest Precision Instruments Limited	—	—	—	—
	19.5	(5.0)	14.5	14.5

The Group is loss making and this is an indicator for potential impairment of its investments. Management has completed impairment reviews through estimating the recoverable value of these assets and concluded that impairments should remain unchanged as set out above.

4. Tangible fixed assets

	Property — right-of-use asset £m
Cost	
At 1 February 2025	0.7
Additions	—
Disposals	(0.3)
At 31 January 2026	0.4
Depreciation	
At 1 February 2025	0.5
Charge for the year	0.1
Disposals	(0.3)
At 31 January 2026	0.3
Net book value	
At 1 February 2025	0.2
At 31 January 2026	0.1

5. Debtors: Amounts falling due within one year

	2026 £m	2025 £m
Amounts owed by subsidiary undertakings	25.8	24.3
Other debtors	0.2	0.4
	26.0	24.7

Amounts owed by subsidiary undertakings are repayable on demand and do not bear interest.

6. Creditors: Amounts falling due within one year

	2026 £m	2025 £m
Amounts owed to subsidiary undertakings	4.2	4.2
Other creditors	0.6	1.3
Lease liabilities	0.1	0.1
	4.9	5.6

Amounts owed to subsidiary undertakings are repayable on demand and do not bear interest.

7. Provisions

	Dilapidation costs £m
At 1 February 2025	0.1
Utilised	—
Increase in provision	—
At 31 January 2026	0.1
Anticipated utilisation	
Within one year	0.1
Beyond one year	—

8. Share capital and reserves

Details of the share capital and reserves are given in Note 20 of the notes to the consolidated financial statements.

9. Capital expenditure commitments

Expenditure sanctioned but not contracted for amounted to £nil (2025: £nil), and expenditure contracted but not provided for in the financial statements amounted to £nil (2025: £nil).

10. Related party transactions

Related party transactions are the same for the Company as for the Group. Details can be found in Note 25 of the notes to the consolidated financial statements.

Web property and advisers

Web property

Checkit

www.checkit.net

Advisers

Group General Counsel and Company Secretary

Hugh Wooster

Registered office

Broers Building

J J Thomson Avenue

Cambridge CB3 0FA

Registered in England

No. 448274

Registrars

MUFG Corporate Markets

10th Floor, Central Square

29 Wellington Street

Leeds

LS1 4DL

Nominated adviser and broker

Singer Capital Markets

1 Bartholomew Lane

London EC2N 2AX

Auditor

Cooper Parry Group Limited

Sky View, Argosy Road

East Midlands Airport

Derby DE74 2SA

Bankers

HSBC Bank plc

69 Pall Mall

London SW1Y 5EZ



Checkit plc

Broers Building
J J Thomson Avenue
Cambridge CB3 0FA

www.checkit.net

