



Directors' Report & Consolidated Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY INFORMATION

Directors

Prof. Sir Paul Curran (Chair)
Steven J. Hill (Vice-Chancellor & CEO)
Hanif Barma
Prof. Regina V. Cordes Née Frey
Carolyn L. Kreuder
James A. Lantz
Prof. Tracy Lightfoot
Prof. Damian R. Ward

Secretary

Richard Martindale

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STRATEGIC REPORT

For the year ended 31 December 2025

INTRODUCTION

This report outlines the Group's strategic direction, operational performance, and principal risks, and should be read alongside the Directors' Report and the consolidated financial statements.

2025 has been a significant year for Walbrook, characterised by continued transformation and consolidation following the strategic reset initiated in 2024. The institution entered 2025 with a clear focus on sustainability, regulatory compliance, and long-term value creation. The formal renaming to Walbrook Institute London, the restructuring of our Higher Education portfolio, and the continued strength of our Professional Education business have continued to strengthen the Group's position as a UK-focused, career-driven higher education provider.

OUR PURPOSE & STRATEGY

Walbrook's purpose is to deliver high-quality, career-focused education that improves life chances and professional outcomes for our students, while operating as a financially sustainable and well-governed higher education institution. We are focused on providing flexible, accessible learning that fits around the lives of working professionals and delivers clear, real-world value.

Our approach is grounded in a clear educational proposition: combining flexibility, structured learning, and career-relevant outcomes. We deliver practical master's degrees, professional qualifications, and lifelong learning opportunities designed to support professional progression and long-term employability. Our provision is shaped by industry needs, informed by academic rigour, and delivered in a way that is clear, accessible and student-focused.

Our long-term strategic priorities remain consistent:

- to secure indefinite Degree Awarding Powers and, in due course, university title;
- to develop and deliver a focused portfolio of career-relevant UK degree programmes, underpinned by strong academic governance;
- to maintain and grow our Professional Education provision in financial services, banking, trade and related disciplines;
- to provide an outstanding student experience, with clear progression pathways and strong outcomes; and
- to operate as a sustainable, inclusive and well-governed organisation, meeting the expectations of the Office for Students (OfS) and other regulators.

Across these priorities, we remain committed to a consistent set of principles: communicating clearly and transparently, maintaining a confident and disciplined academic and operational model, and placing the student at the centre of our decision-making. Our programmes are designed to be flexible by design, career-first in their orientation, and supported by structured delivery and accessible learning technologies.

During 2025, these priorities have guided a series of significant strategic and operational decisions.

HIGHER EDUCATION

The most significant strategic development within Walbrook's Higher Education provision during 2025 was the successful transition away from the legacy online degree platform and the launch of a new suite of online and on-campus programmes delivered through Brightspace, a virtual learning environment.

At the start of the year, the institution took the difficult but necessary decision to cease new enrolments onto the existing online degree product and to focus on designing a replacement academic model better aligned with UK regulatory expectations and student needs. Throughout this process, student protection and continuity of study remained paramount. Walbrook supported affected students to either transfer onto one of its new programmes, to complete their studies under existing arrangements, or, where appropriate, to progress to alternative providers with all students treated in line with the institution's approved Student Protection Plan.

In July 2025, Walbrook launched its new online MBA suite, comprising 12 programmes, based on a carousel delivery model with monthly starts. This was followed by the introduction of online MSc Psychology programmes later in the year and the launch of a new on-campus MSc Business and Management programme, primarily targeting the international market. The on-campus programme recruited 74 students in its first intake. In addition, the Higher Education directorate prepared four programmes within a new MSc Computer Science suite for launch in January 2026. As part of this transition, the phased withdrawal of the legacy online programmes — which lacked a sufficient focus on engagement and progression — was completed, with most continuing students successfully transferring to the new programme suite.

Providing an exceptional student experience remains a central institutional priority. The new programme architecture has been designed to improve student engagement, progression and academic outcomes, while ensuring compliance with regulatory expectations relating to continuation, completion and academic oversight. Early indicators suggest improved engagement and progression compared with the legacy delivery model. Walbrook will continue to monitor these metrics as cohorts mature.

Alongside programme reform, Walbrook has continued to invest in academic governance, quality assurance and policy frameworks to support the new delivery model. The Institute undertook a comprehensive review of academic regulations and student-facing policies during the year to ensure clarity, fairness and alignment with regulatory requirements. This work underpins Walbrook's strategic objectives of delivering a sustainable, high-quality Higher Education offer aligned to both student needs and the UK regulatory environment.

The redesigned Higher Education model is expected to support improved retention and progression over time, contributing to enhanced financial sustainability as cohorts scale.

PROFESSIONAL EDUCATION

Professional Education remained an important contributor to Walbrook's overall performance in 2025, supporting cash generation and operational stability during a period of transformation within the Higher Education division.

The Professional Education business performed broadly in line with budget, with particularly strong demand for mortgage-related qualifications and resilient performance across trade and transaction banking programmes. Continued focus on cost discipline and operational efficiency resulted in EBITDA performance ahead of budget, reinforcing the division's role in underpinning institutional financial stability.

During the year, Walbrook recorded over 18,000 registrations across its Professional Education qualifications in banking, regulated advice and trade finance. Programmes for regulated mortgage advisers performed particularly well, with a 10% increase in registrations compared with the prior year, driven by strong marketing and sales execution and a more positive outlook for the UK housing market. This momentum is expected to continue into 2026. Registrations across Financial Advice and Trade Finance qualifications remained broadly stable, notwithstanding the withdrawal of a number of lower-performing programmes early in the year.

This portfolio rationalisation formed part of a wider programme of operational simplification and cost reduction implemented during 2025. Further initiatives included increased standardisation across the programme

portfolio — with most Professional Education qualifications now sharing common unit sizes and pedagogical approaches — and the continued migration of assessments from third-party providers to Walbrook's in-house Brightspace platform. This transition enables students to complete assessments remotely at any time, improves the learner experience, enhances institutional control over assessment delivery, and delivers meaningful cost savings.

Collectively, these initiatives resulted in a significant reduction in operating costs compared with the prior year and have also enabled the business to identify and implement improvements to the learner experience more rapidly and consistently across the portfolio.

Alongside financial and operational performance, 2025 saw an increased focus on learner outcomes within Professional Education. Enhanced monitoring of progression, completion and pass rates was introduced in preparation for further quality improvements in 2026. Learner feedback remained strong, with an average Net Promoter Score (NPS) of 65 across Professional Education programmes (for context, a score of 50 or above is considered excellent). Of those who successfully completed their qualifications during the year, 85% reported overall satisfaction with their course and 90% indicated they would choose to study with Walbrook again.

BRAND AND INSTITUTIONAL IDENTITY

April 2025 marked the formal introduction of the Walbrook Institute London name. This renaming represented the culmination of a multi-year transformation and signalled a clear institutional identity as a UK-based, digital-first, career-focused education provider.

The response from students, partners and staff has been positive, and the Walbrook brand now provides a strong platform for future growth across both Higher Education and Professional Education.

REGULATION, GOVERNANCE & RISK

Strong governance and effective risk management remain fundamental to Walbrook's strategy and long-term sustainability. During 2025, the Board maintained a strong focus on financial resilience, student outcomes and regulatory compliance, ensuring that strategic decisions taken during the year were supported by appropriate oversight and control. Further detail on governance arrangements, risk management and internal controls is provided in the Corporate Governance & Risk section of this report.

FINANCIAL PERFORMANCE & SUSTAINABILITY

2025 reflects a year of transition and strategic repositioning for Walbrook, following the significant restructuring undertaken in 2024. At a Group level, revenue was £13.0m (2024: £17.6m, restated). On a Walbrook company basis, revenue was £12.9m (2024: £15.5m, restated)

The reduction in revenue reflects the planned transition within Higher Education and the phased withdrawal of legacy and non-core activities, partially offset by strong performance in Professional Education.

Professional Education remained the largest and most resilient contributor, generating £9.2m of revenue (2024: £8.4m), supported by strong demand for financial advice qualifications and corporate training.

In contrast, Higher Education revenue declined to £2.6m (2024: £4.3m) as the institution ceased new enrolments on the legacy online degree platform and transitioned to a new programme portfolio. While this constrained revenue in the short term, it reflects a deliberate strategic shift towards a more sustainable, compliant and student-focused academic model.

The Schools division contributed £0.97m (2024: £2.8m), reflecting its planned wind-down during the year. Revenue from MENA and APAC was limited to residual activity following the strategic decision to close both subsidiaries in January 2025.

Personnel costs reduced to £12.6m (2024: £13.0m), reflecting the benefits of restructuring actions taken in 2024 and the rationalisation of headcount following the closure of international operations and consolidation of support functions. This was partially offset by continued investment in academic staff to support the launch of new Higher Education programmes.

Cost of materials and services decreased to £2.3m (2024: £3.1m), driven by the full transition to digital delivery and the elimination of printed materials. Service costs remained broadly stable, reflecting the continued use of guest lecturers and external expertise to support academic delivery.

The Group's cost base and reported losses continue to reflect the final stages of transformation, including the wind-down of legacy operations, investment in new programme development, and the repositioning of the institution under the Walbrook brand. Importantly, the underlying cost structure has been materially simplified, and early benefits of cost discipline and operational efficiency are evident across multiple areas of expenditure.

Cash flow remained supported through disciplined working capital management, including increased student pre-payments and tighter admissions controls, alongside the continued financial backing of IU Group through its intercompany funding arrangements. This provides the Group with the liquidity and stability required to execute its strategic plan.

Looking ahead, the quality of earnings is expected to improve as the new Higher Education portfolio scales, Professional Education continues to generate stable cash flows, and the cost base reflects a more streamlined and focused operating model. The Group remains committed to achieving financial sustainability and targeting break-even over the medium term, supported by disciplined cost management, improved student outcomes, and the continued growth of scalable education offerings.

PEOPLE, CULTURE & REMUNERATION

OUR PEOPLE AND CULTURE

Our people are fundamental to the delivery of our mission, the quality of the student experience and the long-term sustainability of Walbrook. We are committed to being a fair, inclusive and responsible employer, and to fostering a working environment in which colleagues feel supported, valued and able to thrive.

As at the end of December 2025, Walbrook employed just under 200 staff across the organisation.

Our approach to people management reflects our obligations as a higher education provider regulated by the Office for Students (OfS). It is underpinned by principles of transparency, equality of opportunity and financial sustainability. We support employee engagement through a range of mechanisms, including regular organisation-wide town halls, which provide opportunities for direct communication with senior leadership, sharing of organisational updates, and open dialogue with colleagues.

REFRESHING OUR PEOPLE POLICIES

During the year, we undertook a review and refresh of our people policies to ensure they remain fit for purpose, legally compliant and responsive to the evolving needs of our workforce.

A key objective of this refresh was to maximise flexibility as a means of removing structural barriers, particularly those that may disproportionately affect colleagues from underrepresented groups or those with caring responsibilities.

We recognise that flexible working arrangements can be a powerful enabler of inclusion. Our refreshed policies aim to normalise flexibility wherever operationally feasible, supporting different working patterns, caring responsibilities and individual circumstances, while maintaining pace and a commitment to high performance.

We are committed to providing a working environment that promotes equality, values diversity and fosters a sense of belonging. All employment-related decisions are made based on merit and in line with the Equality Act 2010. Our policies are designed to support inclusive recruitment, progression and retention across all staff groups.

We recognise that key life events can have a significant impact on colleagues' wellbeing and career trajectories. Our policies have been strengthened to provide better, more supportive frameworks around maternity, paternity, adoption and shared parental leave, as well as other forms of family or caring-related leave. We aim to ensure that colleagues are supported before, during and after these periods.

Wellbeing is central to our people strategy. We promote a culture that supports mental and physical health, provides access to wellbeing resources and encourages sustainable workloads and healthy work-life balance.

SENIOR LEADERSHIP REMUNERATION

Walbrook is committed to the principles of fair, responsible and appropriate pay for senior staff in line with The Higher Education Senior Staff Remuneration Code published by the Committee of University Chairs. Remuneration decisions are made with due regard to institutional performance, affordability, market competitiveness, and the long-term sustainability of the organisation.

It is essential that senior staff remuneration remains sufficiently competitive to attract and retain leaders of the calibre required to deliver Walbrook's strategic ambitions, particularly given the competitive environment for senior talent within private and PE-backed higher education organisations.

VICE CHANCELLOR & CHIEF EXECUTIVE OFFICER REMUNERATION

Steve Hill received a base salary of £211,667 in 2025, together with a bonus of £30,000 and employer pension contributions of £9,333, giving total remuneration for the year of £251,000. Mr. Hill opted out of the pension scheme during 2025.

Mr. Hill also participates in a Long-Term Incentive Plan operated by IU Group. No payments have been made in respect of this arrangement and, accordingly, no value has been attributed in the above figures.

Remuneration is determined in accordance with the institution's remuneration framework, having regard to individual performance, affordability, and market benchmarking within the higher education sector.

The Head of Provider's basic salary was 5.1 times the median pay of staff, and total remuneration was 5.7 times the median total remuneration of staff, both calculated on a full-time equivalent basis. Further details, including pay ratio disclosures prepared in accordance with the OfS Accounts Direction, are set out in Note 13 to the financial statements.

REMUNERATION GOVERNANCE

Appropriate governance arrangements are in place to ensure that remuneration decisions are subject to independent scrutiny and reflect good practice within the UK higher education sector. The Governing Body is satisfied that Walbrook's approach is proportionate, transparent and consistent with OfS expectations.

CORPORATE GOVERNANCE & RISK

REGULATORY COMPLIANCE

As a highly regulated institution, Walbrook has continued to enhance its compliance framework to align with OfS Disclosure 9 requirements. A key focus in 2025 was ensuring transparency in governance and financial

reporting. This included enhanced oversight by the Audit & Risk Committee, improved senior staff remuneration reporting, and ensuring the accuracy of related-party disclosures in financial statements.

STATEMENT OF CORPORATE GOVERNANCE

The Company's governance framework is structured to ensure effective oversight of the strategic direction, educational character and mission. The governance structure is overseen by the Board of Directors (BoD) and is supported by several key committees and boards, each responsible for specific areas of academic and operational governance.

This robust governance structure ensures that academic and operational practices at Walbrook align with sector standards, regulatory requirements, and the strategic goals set by the Board of Directors. The structure also supports ongoing improvements to academic quality, student engagement, and institutional integrity.

- **Board of Directors:** The Board provides strategic direction and oversight of all operations. The Board ensures that decisions prioritise student interest and institutional sustainability.
- **Audit and Risk Committee:** The main activities of the Audit and Risk Committee are to review the annual financial statements, maintain oversight of internal and external audit, and oversight of risk governance arrangements and the strategic risk register. During 2025 the Audit and Risk Committee completed a review of its practice against the Higher Education Audit Committee's Code of Practice published by the Committee of University Chairs.
- **Academic Board:** The Academic Board serves as the supreme academic authority and guardian of the UK academic standards and quality of our higher education awards. It is chaired by the Vice-Chancellor & Chief Executive Officer.
- **Governance, Remuneration and Nominations Committee (GRNC):** GRNC supports the Board by reviewing and recommending changes to the governance framework, overseeing Board and sub-committee effectiveness, succession planning and skills development, and advising on appointments and reappointments of Board, sub-committee and senior leadership roles. GRNC also sets and oversees the framework for remuneration, pensions, severance arrangements and fair pay, including making annual recommendations on the remuneration arrangements of the Vice-Chancellor & Chief Executive Officer and other senior post holders.

As an independent provider, Walbrook has adopted 'The Code of Governance for Independent Providers of Higher Education' published by IHE, as its principal code of governance. The company also seeks to align with the following codes of governance:

- The 'Higher Education Code of Governance' published by the Committee of University Chairs
- The 'Higher Education Senior Staff Remuneration Code of Governance'

In addition, as a provider registered with the Office for Students (OfS), Walbrook adheres to the public interest governance principles.

STATEMENT OF ACADEMIC GOVERNANCE

Our Academic Governance structure was enhanced during 2025 by streamlining the Committee structure, making it more effective and responsive to the institution's strategic needs. The following committees report to Academic Board, providing in-depth operational management and scrutiny within their respective areas:

- **Learning, Teaching and Quality Committee (LTQC):** Oversees the operational management of academic standards and the student learning opportunities of Walbrook's higher education awards. LTQC achieves this by managing the framework of regulation and policies and reviewing the effectiveness of these by monitoring and evaluating the systems and procedures of learning,

teaching, and assessment. The Committee also reviews and acts upon student feedback. Sub-committees of LTQC are: Faculty Board, Access and Participation Working Group, Academic Integrity Panel and the Complaints and Appeals Panel

- **Assessment Boards:** Responsible for monitoring student progression and conferring awards.
- **Sub-committee of Assessment Board:** Extenuating Circumstances Panel

This consolidated governance structure ensures that academic and operational practices at Walbrook align with sector standards, regulatory requirements, and the strategic goals set by the Board of Directors.

GOVERNANCE DISCLOSURES

Directors have disclosed all material interests, and appropriate measures are in place to manage conflicts of interest.

DIRECTORS

The Directors who held office at the date of signature of the financial statements were as follows:

Executive Directors

Carolyn L. Kreuder
Steven. J Hill (V-C & CEO)
Prof. Regina V. Cordes Nee Frey
James A. Lantz

Independent Directors

Hanif Barma
Prof. Damian R. Ward
Prof. Sir Paul Curran (Chair)
Prof. Tracy Lightfoot

Changes in Directors since the beginning of the financial year ended 31 December 2025 and up to the date of signature were as follows:

Appointments

<u>Name</u>	<u>Date</u>
James A. Lantz	16 January 2025
Prof. Sir Paul Curran	1 March 2025
Rohit Sharma	11 February 2026

Resignations

<u>Name</u>	<u>Date</u>
Lord Lemos CMG CBE	21 July 2025
Julian A. Fraser	31 December 2025
Prof. Dr. Florian M. Hummel	11 February 2026
Rohit Sharma	9 March 2026

STATEMENT OF INTERNAL CONTROL

The Company maintains robust internal control systems to safeguard assets, ensure financial accuracy, and maintain regulatory compliance. The internal control framework is designed to identify and manage risks to support the achievement of Walbrook's objectives.

The system of internal control includes clear policies on financial management, risk assessment, and compliance monitoring. Key areas of focus include data integrity, financial reporting accuracy, and the safeguarding of assets against fraud and other irregularities. The Audit and Risk Committee, supported by

Internal Audit, regularly evaluates the effectiveness of these controls and ensures that management addresses any weaknesses identified during internal or external audits.

Walbrook's internal control systems are regularly reviewed and updated in response to changes in the business environment and emerging risks. The Board of Directors receives regular updates on internal control matters, ensuring continuous improvement and alignment with best practices.

PRINCIPAL RISKS AND UNCERTAINTIES

Walbrook operates in a complex and highly-regulated environment. The Board regularly reviews the principal risks that could impact the achievement of strategic objectives and oversees the effectiveness of mitigating actions through its sub-committee structure.

Political and regulatory risks: Changes in the political and regulatory environment, largely beyond Walbrook's direct control, may influence strategic decision-making or hinder progress against the strategic plan. This includes shifts in Higher and Professional education policy – including the international student recruitment landscape – regulation, markets, technology, student and employer demand, and apprenticeship funding and oversight.

The OfS' pause on certain regulatory activities, resulting in the extension of Walbrook's time-limited degree awarding powers from August 2026 to August 2029, has delayed progress towards achieving university title. Evolving regulatory requirements across higher education and apprenticeships may affect future planning and growth. This risk is mitigated through continued regulatory readiness and proactive monitoring of policy and sector developments.

Expanding and sustaining the education offer: Maintaining and growing student numbers across Higher Education and Professional Education remained a priority. The transition away from the legacy online degree platform and introducing a new suite of online and on-campus programmes was managed with care in line with Walbrook's student protection protocols. In Professional Education, curriculum standardisation continues to reduce complexity and speed to market.

Student experience risk: There is a risk that student satisfaction, progression and completion outcomes may not be sustained at levels required to meet Walbrook's strategic objectives and regulatory expectations. This risk is mitigated through regular monitoring of student feedback and outcomes, targeted academic and pastoral support, and ongoing enhancement of the student experience across all delivery modes.

Financial Sustainability: Adverse economic conditions, regulatory change, or underperformance against enrolment targets could impact profitability. Walbrook mitigates financial risk through disciplined cost management, income diversification, scenario planning, and close monitoring of financial performance against EBITDA and surplus targets.

People and Organisational Capacity: Failure to attract, retain, and engage staff could affect operational delivery and strategic progress. This risk is mitigated through staff engagement surveys, wellbeing initiatives, and equity, diversity and inclusion strategies.

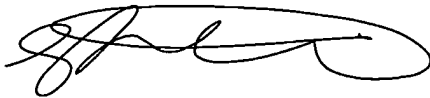
Student Recruitment and Market Demand: There is a risk that Higher Education and Professional Education student numbers may not grow at expected levels due to factors such as policy change or shifts in learner demand. Walbrook mitigates this risk through active portfolio management, targeted marketing and conversion strategies, employer engagement, and the development of flexible and online provision to broaden market reach.

On behalf of the Board

26 May 2026



Prof. Sir Paul Curran, Chair of the Board



Steven J. Hill, Vice-Chancellor and Chief Executive Officer

DIRECTORS' REPORT

The Directors of Walbrook Institute London Limited ("Walbrook") are pleased to present their report along with the audited consolidated financial statements for the year ended 31 December 2025.

BACKGROUND AND NATURE OF OPERATIONS

Walbrook, which has its head office at 7th & 8th Floor, Peninsular House, 36 Monument Street, London, England EC3R 8LJ and with company number 13621269 (hereinafter also referred to as: "the Company") operates as a higher education provider. It provides education and training via professional qualifications to over 20,000 students and issues degrees to students and professionals.

Walbrook has two subsidiaries: The London Institute of Banking & Finance (MENA) Ltd ("MENA"), located at Abu Dhabi Global Market Square, 9th Floor, Al Khatem Tower, Abu Dhabi, United Arab Emirates, and The London Institute of Banking & Finance (APAC) PTE Ltd ("APAC"), located at 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619.

The company changed its name from LIBF Limited to Walbrook Institute London Limited on 2 April 2025 as registered with Companies House. These financial statements reflect the financial position and performance of the company for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

Walbrook's principal activity is providing higher education. It awards degrees to students and professionals as well as professional certifications. The Higher Education programmes encompass undergraduate and postgraduate qualifications, as well as apprenticeships. Additionally, Walbrook provides professional certifications for professionals in mortgage, finance, commercial banking, trade, and retail banking.

Walbrook previously operated through two international subsidiaries: The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking & Finance (APAC) PTE Ltd. Following a strategic review, APAC was closed during 2025, and MENA is in the final stages of being formally struck off in Abu Dhabi.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. The Directors have elected to prepare the financial statements in accordance with applicable law and UK Adopted International Accounting Standards.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. The Directors affirm the going concern basis, supported by IU Group funding and cost efficiencies outlined in the Strategic Report.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the

Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

Subsequent to the year-end, HaysMac LLP were re-appointed to audit the 2025 accounts.

THIRD PARTY INDEMNITY PROVISION

During the financial year ended 31 December 2025, and at the date of approval of these financial statements, qualifying third-party indemnity provisions were in force for the benefit of the Directors of the Company.

STATEMENT OF DISCLOSURE TO AUDITOR

At the date of making this report, each of the Directors confirm the following:

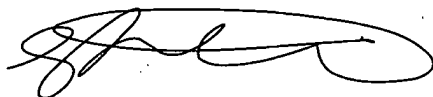
- so far as each Director is aware, there is no relevant information needed by the Company's auditors in connection with preparing their report of which the auditors are unaware; and
- each Director has taken all the steps that they / themselves ought to take as a Director in order to make him or herself aware of any relevant information needed by the auditors in connection with preparing their report to establish that the auditors are aware of that information.

On behalf of the Board

26 May 2026



Prof. Sir Paul Curran, Chair of the Board



Steven J. Hill, Vice-Chancellor and Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WALBROOK INSTITUTE LONDON LIMITED

OPINION

We have audited the financial statements of Walbrook Institute London Limited (the 'company') and its subsidiaries (the 'group') for the year ended 31 December 2025 which comprise the Group and Company Statements of Profit or Loss, the Group and Company Statements of Comprehensive Income, the Group and Company Statements of Changes in Equity, the Group and Company Balance Sheets, the Group and Company Statements of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards (UK-IAS).

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 December 2025 and of the loss for the year then ended;
- have been properly prepared in accordance with UK-IAS; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included review of management's forecasts of future performance and ability to meet its liabilities as they fall due.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 company and its 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 group and company, or returns adequate for our audit have not been received from branches not visited by us; or
- the group and 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT IN RESPECT OF THE OFFICE FOR STUDENTS

In our opinion, in all material respects:

- funds administered by the company for specific purposes during the year ended 31 December 2025 as disclosed in note 4, have been applied to those purposes and managed in accordance with relevant legislation;
- funds provided by the Office for Students and Department for Education have been applied in accordance with the terms and conditions attached to them during the year ended 31 December 2025; and
- the requirements of the OfS's Accounts Direction have been met.

We have nothing to report in respect of the following matter[s] in relation to which the Office for Students requires us to report where:

- grant and fee income, as disclosed in the notes 3 and 4 to the accounts, has been materially misstated.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 13, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the 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:

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the company and trade regulators such as the Office for Students, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 a 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 instances 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.

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

USE OF OUR REPORT

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



Tom Brain (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
27/05/2026

10 Queen Street Place
London
EC4R 1AG

STATEMENT OF PROFIT OR LOSS

STATEMENT OF PROFIT OR LOSS – GROUP

		Group	Group
		31/12/2025	as restated 31/12/2024
	Notes	£000s	£000s
Revenue	3	13,018	17,613
Funding Body Grants	4	140	80
Other Income	5	10,698	4,900
Own Work Capitalised	6	170	99
Cost of Material and Services	7	(2,331)	(3,065)
Personnel Costs	8	(12,566)	(13,018)
Amortisation and Depreciation	10	(1,564)	(2,120)
Bad Debt Expense		(119)	(714)
Other Operating Expenses	11	(7,765)	(10,930)
Financial Income	14	3	54
Financial Expense	14	(712)	(666)
Intercompany		(8)	-
Loss before Income Tax		(1,036)	(7,767)
Loss for the Year		(1,036)	(7,767)

STATEMENT OF PROFIT OR LOSS - WALBROOK

		Walbrook	Walbrook
		31/12/2025	as restated 31/12/2024
	Notes	£000s	£000s
Revenue	3	12,763	15,549
Funding Body Grants	4	140	80
Other Income	5	10,630	5,048
Own Work Capitalised	6	170	99
Cost of Material and Services	7	(2,127)	(2,869)
Personnel Costs	8	(11,837)	(11,551)
Amortisation and Depreciation	10	(1,564)	(2,120)
Bad Debt Expense		(380)	(562)
Other Operating Expenses	11	(6,983)	(12,544)
Financial Income	14	8	108
Financial Expense	14	(743)	(595)
Intercompany		(551)	(208)
Loss before Income Tax		(474)	(9,565)
Loss for the Year		(474)	(9,565)

STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF COMPREHENSIVE INCOME – GROUP

	31/12/2025	31/12/2024
	£000s	£000s
Loss from Continuing Operations	(325)	(6,946)
Loss from Discontinued Operations	(711)	(821)
Loss for the Year	(1,036)	(7,767)
Other Comprehensive Income	(7)	19
Total Comprehensive Income for the Year	(1,043)	(7,748)

STATEMENT OF COMPREHENSIVE INCOME – WALBROOK

	31/12/2025	31/12/2024
	£000s	£000s
Loss for the Year	(474)	(9,565)
Other Comprehensive Income	(3)	(3)
Total Comprehensive Income for the Year	(477)	(9,568)

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY – GROUP

	Share Capital £000s	Other Capital Reserves £000s	Retained Earnings £000s
Balance at 1 January 2024	31,111	(6,103)	(5,611)
Loss for the Year	-		(7,767)
Other Comprehensive Income		19	-
Balance at 31 December 2024	31,111	(6,084)	(13,378)
Balance at 1 January 2025	31,111	(6,084)	(13,378)
Loss for the Year	-	-	(1,036)
Other Comprehensive Income	-	(7)	-
Balance at 31 December 2025	31,111	(6,091)	(14,414)

STATEMENT OF CHANGES IN EQUITY – WALBROOK

	Share Capital £000s	Other Capital Reserves £000s	Retained Earnings £000s
Balance at 1 January 2024	31,111	(6,101)	(4,760)
Loss for the Year	-	(3)	(9,565)
Balance at 31 December 2024	31,111	(6,104)	(14,325)
Balance at 1 January 2025	31,111	(6,104)	(14,325)
Loss for the Year	-	-	(474)
Other Comprehensive Income	-	(3)	-
Balance at 31 December 2025	31,111	(6,107)	(14,799)

During the year ended 31 December 2025, there were no contributions by owners or distributions to owners.

Other comprehensive income for the year comprises two components: remeasurements of the defined benefit pension scheme recognised in the Pension OCI Reserve, and foreign exchange differences on translation of foreign operations recognised in the Net Currency Translation Reserve. An analysis of other comprehensive income by item for each component of equity is provided in Note 23.

BALANCE SHEET

BALANCE SHEET – GROUP & WALBROOK

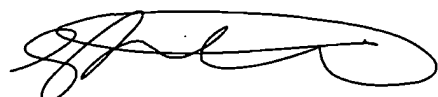
	Notes	Group 31/12/2025 £000s	Group 31/12/2024 £000s	Walbrook 31/12/2025 £000s	Walbrook 31/12/2024 £000s
Non-Current Assets					
Goodwill	15	6,272	6,272	6,272	6,272
Intangible Assets	16	7,318	6,793	7,318	6,793
Property, Plant and Equipment	17	4,384	5,870	4,384	5,870
Other Assets - Non-Current	18	185	37	146	412
Non-Current Assets		18,159	18,972	18,120	19,347
Current Assets					
Inventory		-	16	-	16
Accounts Receivable	19	2,943	4,397	2,792	4,112
Other Receivables - Current	20	959	689	951	616
Cash and Cash Equivalents	21	2,597	4,127	2,381	2,614
Current Assets		6,499	9,229	6,124	7,358
Total Assets		24,658	28,201	24,244	26,705
Capital					
Issued capital	22	31,111	31,111	31,111	31,111
Other Capital Reserves	23	(6,091)	(6,084)	(6,107)	(6,104)
Net retained loss		(14,414)	(13,378)	(14,799)	(14,325)
Total Capital		10,606	11,649	10,205	10,682
Current Liabilities					
Accounts Payable and Other Liabilities - Current	24	3,365	2,703	3,368	2,617
Current Leasing Liabilities	25	998	970	998	970
Accruals	25	583	649	567	252
Deferred Revenues - Current	27	2,859	4,562	2,859	4,562
Total Short-Term Debt		7,805	8,884	7,792	8,401
Non-Current Liabilities					
Non-Current Leasing Liabilities	25	1,418	2,443	1,418	2,443
Non-Current Financial Liabilities	26	3,734	4,052	3,734	4,052
Other Provisions - Non-Current		-	23	-	25
Deferred Revenues - Non-Current	27	1,095	1,150	1,095	1,102
Total Long-Term Debt		6,247	7,668	6,247	7,622
Total Liabilities and Capital		24,658	28,201	24,244	26,705

The financial statements were approved by the Board of Directors and authorised for issue and are signed on its behalf by:

26 May 2026



Prof. Sir Paul Curran, Chair of the Board



Steven J. Hill, Vice-Chancellor and Chief Executive Officer

Company registration number: 13621269 (England and Wales)

STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS – GROUP

	Group 31/12/2025 £000s	Group 31/12/2024 £000s
Cash Flow from Operating Activities		
(Deficit for the Year)	(1,036)	(7,767)
Adjustment for Non-Cash Items		
Depreciation & Amortisation	1,564	2,120
(Increase)/Decrease in Stock	16	9
(Increase)/Decrease in Debtors	1,210	3,010
Increase/(Decrease) in Creditors	(1,539)	3,417
Increase/(Decrease) in Lease Liabilities	(997)	442
Other Non-Cash Items	(378)	14
Net Cash Flow from Operating Activities	(1,160)	1,245
Cash Flows from Investing Activities		
Purchase of Tangible Fixed Assets	(166)	(2,229)
Proceeds from Disposal of Tangible Fixed Assets	675	-
Purchase of Intangible Assets	(888)	(161)
Proceeds from Disposal of Intangible Assets	9	-
Net Cash Flow from Investing Activities	(370)	(2,390)
Cash Flows from Financing Activities		
Issuance of Share Capital	-	3
Net Cash Flow	(1,530)	(1,142)
Cash and Cash Equivalents - Beginning of the Year	4,127	5,269
Cash and Cash Equivalents - End of the Year	2,597	4,127

STATEMENT OF CASH FLOWS – WALBROOK

	Walbrook 31/12/2025 £000s	Walbrook 31/12/2024 £000s
Cash Flow from Operating Activities		
(Deficit for the Year)	(474)	(9,565)
Adjustment for Non-Cash Items		
Depreciation & Amortisation	1,564	2,120
(Increase)/Decrease in Stock	16	9
(Increase)/Decrease in Debtors	1,385	1,373
Increase/(Decrease) in Creditors	(974)	3,951
Increase/(Decrease) in Lease Liabilities	(997)	442
Other Non-Cash Items	(383)	1,860
Net Cash Flow from Operating Activities	137	190
Cash Flows from Investing Activities		
Purchase of Tangible Fixed Assets	(166)	(2,259)
Proceeds from Disposal of Tangible Fixed Assets	675	-
Purchase of Intangible Assets	(888)	(161)
Proceeds from Disposal of Intangible Assets	9	-
Net Cash Flow from Investing Activities	(370)	(2,420)
Cash Flows from Financing Activities		
Issuance of Share Capital	-	(3)
Net Cash Flow	(233)	(2,233)
Cash and Cash Equivalents - Beginning of the Year	2,614	4,847
Cash and Cash Equivalents - End of the Year	2,381	2,614

NOTES TO THE FINANCIAL STATEMENTS

1. KEY ACCOUNTING POLICIES

1.1 BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of Walbrook Institute London Limited ("Walbrook" or "the Company") for the year ended 31 December 2025 were prepared in accordance with the UK adopted international accounting standards (UK-IAS). Walbrook is a medium-sized private limited company limited by shares and is registered in England and Wales (registration number: 13621269). The consolidated financial statements represent the Company and its two subsidiaries (The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking & Finance (APAC) PTE Ltd. As the parent entity preparing these consolidated financial statements, Walbrook complies with the requirements of the Companies Act 2006 and applicable accounting standards, ensuring full disclosure of the Group's financial position and performance. The ultimate parent undertaking, IU Group N.V., whose registered office address is Square Ambiorix 10, 1000 Bruxelles, prepares and publishes consolidated financial statements that include Walbrook and its subsidiaries.

1.2 ACQUISITION ACCOUNTING

The Company follows the acquisition accounting policy as per IFRS 3 Business Combinations. Under this policy, an acquisition is recognised as a business combination when Walbrook obtains control over one or more businesses. Control is defined as the ability to obtain the variable returns from the acquired business and the power to direct its activities.

1.3 REVENUE RECOGNITION

Walbrook recognises revenue when the control of the promised goods or services is transferred to the customer and we have a probable right to payment for the performance obligation. In accordance with IFRS 15, we estimate the amount of returns, refunds, and other similar obligations associated with the sale of goods or services. This estimate is based on historical experience, industry trends, and other relevant factors. The estimated amount of these obligations is recorded as a liability and deducted from the recognised revenue. Income is predominantly related to tuition fees and education contracts and is recognised over the length of the course being offered. Any amounts received in advance are included within deferred income.

Payment terms vary by division. In Professional Education, payment is typically due at or prior to registration. In Higher Education, tuition fees are collected in advance of the relevant study period under pre-payment arrangements introduced in 2025; amounts received in advance are recognised as deferred income until the related performance obligation is satisfied. The Group does not consider any contracts to contain a significant financing component, and consideration is not variable in any material respect.

1.4 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at year-end are translated at the year-end exchange rate. Foreign currency gains and losses are credited or charged to the statement of comprehensive income and expenditure as they arise.

1.5 INCOME TAXES

CURRENT TAXES

The Company has not recognised a current tax expense for the year ended 31 December 2025. This is because the Company has incurred a taxable loss during the reporting period. Current taxes are determined based on the

respective tax results and recognised to the extent that they will probably be recognised for tax purposes. If uncertainties regarding such recognition exist, tax liabilities are recognised in the amount of the best possible estimate of the anticipated tax payment. The inclusion of tax liabilities from uncertain tax items in accounting only takes place if their realisation is probable. The assumptions and decisions made are reviewed at each reporting date and, where necessary, adjusted based on any new knowledge gained.

DEFERRED TAXES

Deferred taxes are recognised due to temporary differences between the amounts recognised in the respective tax accounts at national level. As of the reporting period, the Company has no recognised deferred tax assets or liabilities. Calculations are made according to the liability method of IAS 12. For the assessment of the recoverability of the deferred tax assets, an assessment is made regarding the extent to which realisation is sufficiently probable and whether sufficient convincing substantive indicators can be demonstrated. Whether the deferred tax assets can be realised depends on whether a sufficient level of tax income can be generated in future against which the temporary differences and tax loss carry forwards can be offset. In this context, existing taxable temporary differences or corporate planning are drawn upon. If utilisation cannot be expected, then corresponding loss allowances are recognised. The assumptions made here regarding the future taxable income available for the utilisation of deferred tax assets are nevertheless subject to uncertainties. Deferred tax liabilities and assets are netted if a legally enforceable right to offset current tax assets against current tax liabilities exists and if the deferred taxes relate to income taxes that are levied by the same tax authority.

INTERNATIONAL TAX REFORM - PILLAR TWO

As of the reporting date, the Group has not recognised any current tax expense specifically related to Pillar Two income taxes, as the relevant legislation has not been enacted or substantively enacted within the jurisdiction in which the Group operates. While the Pillar Two rules are expected to be implemented, the precise impact on the Group's tax liabilities is not yet quantifiable due to the ongoing legislative process. The Group is actively monitoring developments and will update disclosures as more concrete information becomes available. At the end of the reporting period, the Group has not identified any material exposure to Pillar Two income taxes based on current legislative developments. Since the full implications of the legislation are still being assessed, the Group will disclose further details once the legislation is enacted and the impact becomes measurable.

1.6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Useful life of 4 years
Computer hardware and software	Useful life of 3 years
Furniture and equipment	Useful life of 5 years
Right of use assets	Over the life of the lease

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

Walbrook accounts for leases in accordance with IFRS 16 Leases. IFRS 16 requires the recognition of right-of-use assets and lease liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Right-of-use assets represent the Company's right to use underlying leased assets. They are initially recognised at cost, which includes the initial payment of the lease, any incremental costs directly attributable to the right-of-use asset, and the present value of non-cancellable lease payments. Subsequent to initial recognition, the assets are depreciated on a straight-line basis over the useful life of the underlying asset or the lease term, whichever is shorter. The depreciation method and useful lives are reviewed periodically.

1.7 INTANGIBLE ASSETS

Development expenditure is charged to the income statement in the year it is incurred unless it meets the recognition criteria of IAS 38 Intangible Assets to be capitalised as an intangible asset. Intangible assets are stated at cost or fair value on recognition less accumulated amortisation and any impairment in value. Amortisation is calculated so as to write off the cost or valuation of intangible asset over the useful economic life, on the following bases:

Trademark rights	Useful life of 16-18 years
Customer relationships (corporate)	Useful life of 10 years
Customer relationships (students)	Useful life of 3 years
Self-generated courses	Useful life of 2-5 years

The useful lives of our intangible assets vary. Trademark rights, for example, have a useful life of 18 years for LIBF and CeMAP, and 16 years for CDSC. Customer relationships are categorised by client type, with a 10-year useful life for corporate relationships and a 3-year useful life for student relationships. Similarly, the useful life of self-generated courses varies by programme type: 5 years for Professional Education, 4 years for Higher Education, and 2 years for Financial Education.

1.8 INVESTMENTS

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting data and any impairment losses or reversals of impairment losses are recognised immediately by in profit or loss. A subsidiary is an entity controlled by the parent company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.9 RESERVES

Reserves represent the accumulated net income of Walbrook that are retained for future use. The use of reserves are at the discretion of the Directors and are not subject to any legal statutory restrictions on use.

1.10 FINANCIAL ASSETS

IFRS 9 stipulates the requirements regarding the recognition and measurement of financial assets and contains three basic categories for the classification of financial assets: those measured at amortised cost (AC), those measured at fair value with changes through other comprehensive income (FVOCI) and those measured at fair value with changes through profit or loss (FVTPL).

The classification of financial assets pursuant to IFRS 9 is carried out based on the business model of the Company for managing financial assets and the characteristics of the cash flows. Trade receivables are recognised from the date on which they arise onwards.

The financial assets of Walbrook are initially recognised on the trade date if the Company becomes a contractual party under the contractual terms of the financial instrument. The amount recognised here is the settlement amount.

The loans to related parties are initially measured at fair value. The trade receivables of Walbrook do not have any significant financing component and are therefore measured at transaction price upon initial recognition. Cash is measured at fair value.

Trade receivables are not sold and are usually recovered by the Company itself. In addition, the underlying contracts contain exclusively the claim for the payment of the receivable and fulfil the requirements for "standard cash flow conditions". For these reasons, the trade receivables undergo subsequent measurement within the "amortised cost" category. Both cash and other assets undergo subsequent measurement at "amortised cost".

The risk provisions and thus also the loss allowances for trade receivables are based on the model of expected credit losses pursuant to IFRS 9.

Regarding trade receivables, the amount recognised depends on the credit risk of the counterparty as at the measurement date. In this context, a simplified approach based on a default rate and individual loss allowances is applied ("lifetime expected credit loss"). Lifetime expected credit loss are the expected credit loss ("ECL") that result from all possible default events over the expected life of a financial instrument.

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

The Company considers a financial asset to be individually impaired if it is improbable that the debtor will be able to pay their credit obligation in full without measures such as the utilisation of collateral (if available) being taken.

The Company derecognises financial assets if the contractual rights relating to the cash flows from the financial asset expire or it transfers the rights to receive the cash flows as part of a transaction in which all material risks and opportunities relating to ownership of the financial assets are transferred or collectability can no longer be anticipated.

The Group's exposure to credit risk on trade receivables is limited by the nature of its payment terms. In Professional Education, the majority of learners pay upfront or by module prior to accessing course content, meaning the maximum receivable at any point is limited to fees for the current module. In Higher Education, fees are collected monthly or in full in advance, with automated payment chasing processes in place to minimise aged balances. As a result, the Group considers its exposure to significant credit risk to be low.

The Group applies the simplified lifetime ECL approach to trade receivables. Given the short-duration nature of receivables and the upfront or near-upfront payment structures across all divisions, historical default rates are low. The Group does not consider forward-looking macroeconomic adjustments to be material given the limited exposure window created by the payment model. Individual receivables are assessed for impairment where there is objective evidence that the Group will not collect the full amount due.

The Group defines default as a receivable that is more than 90 days past due or where there is objective evidence that the debtor is unable to pay. Credit risk is not considered to have increased significantly for receivables that are less than 90 days past due, given the automated collection processes in place.

The loss allowance against trade receivables at 31 December 2025 reflects management's estimate of lifetime expected credit losses based on historical collection experience across the Professional Education and Higher Education debtor books. The bad debt expense recognised in the year of £119k (2024: £714k) reflects both new provisions raised and amounts written off during the period. The significant reduction compared to the prior year reflects improved payment controls and the introduction of pre-payment requirements in Higher Education.

For the purposes of collective ECL assessment, trade receivables are grouped by division — Professional Education and Higher Education — reflecting the different payment profiles and customer types within each segment.

1.11 LEASE LIABILITIES

The present value of lease liabilities has been determined based on the future leasing instalments to be paid over the remaining term of the lease. A term-based, risk-free interest rate plus a margin has been used as the incremental borrowing rate for discounting.

Walbrook leases buildings and IT equipment (printers, copy machines etc.). The real estate lease agreements primarily relate to the premises for university operations and administrative buildings.

The IFRS real estate lease agreements for 7th and 8th Floor Peninsula House have fixed contractual terms of 5 years which commenced in August 2023. The Company recognises a right-of-use asset and a lease liability in its accounts at the start of the use transfer. The right-of-use asset is written down on a scheduled basis using the straight-line method either over the term of the lease or the useful life of the assets depending on which term is shorter. Furthermore, if indications to do so exist, loss allowances are recognised for the right-of-use asset and the lease liability is adjusted for certain remeasurements of the lease liability.

The lease liability is recognised at the present value of future leasing payments. Discounting is carried out at the interest rate underlying the lease or, if this cannot be determined, at the incremental borrowing rate that is specific to the lessee.

The leasing payments that are incorporated into the calculation of the lease liability include:

- fixed payments,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate at the start of the use transfer,
- the amount that is expected under a residual value guarantee, and
- the exercise price of a purchase option if it is reasonably certain that the option will be exercised, lease payments of an extension option if it is reasonably certain that the option will be exercised and payments of penalties for the early termination of the lease if it is reasonably certain that this will be done.

Lease liabilities are measured at amortised cost using the effective interest method. They are remeasured if a change in the index or rate results in a change in the amount of leasing payments, if the estimation of the anticipated amount from the utilisation of a residual value guarantee changes or if the Company changes its assessment regarding the exercising of a purchase option, extension option or an early termination option.

Where a lease liability is remeasured in accordance with the above, the adjustment is taken to the right-of-use asset in the first instance. The Company does not recognise any right-of-use assets or lease liabilities for short-term leases (≤ 12 months) and leases for leased objects of low value. The Company recognises the expenses for these leases on a straight-line basis over the lease term. The Company makes use of the portfolio accounting

option. Some leases have both lease components and non-lease components. The Company has exercised the option to treat these contracts as leases.

In 2024 and 2025, IFRS 16 resulted in the following effects on the statement of comprehensive income.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Amortization - Right of Use Assets	932	933	932	933
Interest Expense - Leasing	274	378	274	378
Total	1,206	1,311	1,206	1,311

1.12 CASH AND CASH EQUIVALENTS

Cash and bank balances are measured at fair value. Cash flows comprise increases or decreases in cash. Cash includes cash in hand and deposits but excludes cash held as part of the investment portfolio.

1.13 PENSION PROVISIONS

DEFINED BENEFIT SCHEME

The Company previously operated a defined benefit pension scheme for current and former employees in the United Kingdom, established and governed under the Finance Act 2004 and the Occupational Pension Schemes (Funding and Investment) Regulations 2004 (as amended).

The calculation of pension obligations is based on the projected unit credit method in accordance with IAS 19. The net obligation is determined by discounting estimated future benefits earned by employees in prior periods, with scheme assets measured at fair value. Deficits are recognised on the balance sheet, while surpluses are only recognised to the extent that they are recoverable.

In May 2025, the Trustee of the scheme entered into a bulk annuity insurance contract with Pension Insurance Corporation ("PIC"), covering all members of the scheme. This transaction represents a significant de-risking event, with the scheme's obligations effectively matched by the insurance policy. Following this, the scheme assets are valued using the same assumptions as the liabilities, resulting in a net nil position on the balance sheet.

PIC is undertaking a reconciliation of the Scheme Benefits and membership and the Company does not expect to incur any further material obligations beyond those recognised.

DEFINED CONTRIBUTION PENSION SCHEME

The Company operates a defined contribution pension scheme for eligible employees, administered by Royal London. Contributions are made via salary exchange arrangements, unless employees elect otherwise.

Employer contributions are determined based on a tiered matching structure, up to a maximum of 8% of pensionable salary. Contributions are recognised as an expense in the period to which they relate.

Employer contributions during the year amounted to £678k (2024: £695k). The Company has no further payment obligations beyond the contributions made.

1.14 FINANCIAL LIABILITIES

IFRS 9 stipulates the requirements regarding the recognition and measurement of financial liabilities and essentially contains the following categories for the classification of financial liabilities: those measured at amortised cost and those measured at fair value with changes through profit or loss.

A financial liability is measured at fair value with value changes through profit or loss if it is classified as held for trading, it is a derivative or is designated as such upon initial recognition. Other financial liabilities are measured

at amortised cost using the effective interest method. The financial liabilities of Walbrook are initially recognised on the settlement date when the Company becomes a contractual party under the contractual terms of the financial instrument concerned.

Interest expenses of financial liabilities are recognised through profit or loss in net financial income/loss. Financial liabilities are derecognised if the contractual obligations have been settled, have been cancelled or expired. No offsetting of financial assets and financial liabilities is carried out because the required conditions have not been met. Financial assets and liabilities are only offset and disclosed as netted in the statement of financial position if the Company has a current enforceable right to offset the amounts recognised against each other and it is intended either to settle them on a net basis or to realise the asset and settle the liability simultaneously. These necessary conditions have not been met. Therefore, no offsetting of financial assets and financial liabilities has been carried out.

1.15 LIQUIDITY RISK

The Group is exposed to liquidity risk primarily due to its financial liabilities, including trade payables, lease liabilities, deferred revenues, and non-current financial liabilities. Liquidity risk arises from the Group's obligations to meet short-term financial commitments as they fall due.

To manage liquidity risk, the Group maintains adequate reserves and optimises cash flow through active management practices. Additionally, the Group benefits from financial support from the IU Group, which ensures sufficient funding is available to meet operational needs and financial obligations as they arise.

The following table provides a maturity analysis of the Group's non-derivative financial liabilities as at 31 December 2025:

	Within 1 Year	More Than 1 Year
	£000s	£000s
Accounts Payable and Other Liabilities - Current	3,365	-
Current Leasing Liabilities	998	-
Accruals	583	-
Deferred Revenues - Current	2,859	-
Non-Current Leasing Liabilities	-	1,418
Non-Current Financial Liabilities	-	3,734
Deferred Revenues - Non-Current	-	1095
Total	7,805	6,247

1.16 PROVISIONS AND CONTINGENT LIABILITIES

The Group recognises provisions when it has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where provisions are measured at present value, any increase in the discounted amount arising from the passage of time is recognised as a finance cost. The effect of any change in the discount rate during the period is reviewed at each reporting date and adjusted when necessary.

1.17 ACCOUNTS ESTIMATES AND JUDGMENTS

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include:

Defined benefit scheme – management's estimate of the scheme is based on a number of critical underlying assumptions such as rates of inflation, mortality and the investment returns of the scheme. The assumptions are reviewed annually with a qualified actuary.

Useful lives of depreciable assets – management reviews its estimate of the useful lives of depreciable assets at each reporting date. Uncertainties in these estimates relate to changes in the useful lives of certain software and IT hardware as well as the useful life and value of the building that the Company owns.

Acquisition accounting – we measure acquisition costs using fair value estimates. This requires significant judgement about the future economic benefits of the acquired assets and liabilities, relying on assumptions about market participant expectations.

Goodwill – we estimate the goodwill based on the future cash flows expected from the acquired entity. This process involves significant judgements in determining the discount rate and the assumptions used in the valuation model. Goodwill is subject to impairment testing at least annually, or more frequently if there are indications of potential impairment.

ESTIMATES USED TO MEASURE VALUE IN USE OF CGUs

To determine the recoverable amount of cash-generating units (CGUs), management made key assumptions related to future cash flows:

1. **Projected Cash Flows:** Cash flows are projected over a 5-year period, reflecting financial budgets, new programme launches, enrollment numbers, churn rates, pricing, and cost drivers. A 5-year period is considered appropriate for strategic planning, with longer forecasts deemed too uncertain.
2. **Growth Rate:** Beyond the 5-year period, a terminal growth rate is applied, considering long-term sustainable growth in higher education.
3. **Discount Rate:** The Weighted Average Cost of Capital (WACC) is used, factoring in the Group's cost of equity, debt, and sector-specific risks.

ESTIMATES FOR FAIR VALUE LESS COSTS OF DISPOSAL

1. **Valuation Technique:** The Discounted Cash Flow (DCF) method is used, applying WACC to projected cash flows to estimate present value.
2. **Key Assumptions:**
 - o Student enrollment and churn rates: Based on historical data and new programme success.
 - o Pricing: Reflects new offerings and inflation-adjusted fees.
 - o Operating costs: Includes faculty, admin, and marketing expenses.
 - o Growth rate: Accounts for market conditions and institutional performance.
3. **Valuation Classification:** The fair value is classified as Level 3 (IFRS 13), involving unobservable inputs. The DCF method remains consistent with past assessments, with no changes in technique.

Consistency and Rationale: Assumptions are based on historical data and industry benchmarks, adjusted for new programme launches, which are expected to boost enrolment and revenue.

2. CAPITAL MANAGEMENT

The Company manages capital to maximise shareholder value through sustainable growth and profitability. We aim to maintain a healthy capital structure, optimise return on capital, and ensure sufficient liquidity. While we face no external capital requirements, we adhere to sound financial practices to ensure long-term health and create shareholder value.

The Company manages capital to maximise shareholder value through sustainable growth and profitability. We aim to maintain a healthy capital structure, optimise return on capital, and ensure sufficient liquidity.

As a provider registered with the Office for Students (OfS), Walbrook is subject to the OfS's ongoing conditions of registration, which include requirements relating to financial viability and sustainability. The Board monitors financial performance against these requirements through regular review of liquidity, cash flow forecasts and EBITDA targets. Financial support from IU Group through intercompany funding arrangements provides additional liquidity to ensure the Group can meet its obligations as they fall due.

The Company holds time-limited Degree Awarding Powers, the continuation of which is conditional upon, amongst other things, maintaining financial sustainability. The Board considers this in its capital planning and strategic decision-making.

There are no externally imposed quantitative capital ratios or financial covenants applicable to the Company.

3. REVENUE

Walbrook revenues consists of the following:

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Professional Education	9,178	8,438	9,178	8,541
Higher Education	2,585	4,336	2,585	4,336
Schools	973	2,788	973	2,788
Overheads	27	(176)	27	(116)
MENA	189	2,121	-	-
APAC	66	106	-	-
Total Revenue	13,018	17,613	12,763	15,549

In 2025, the Group generated total revenue of £13.0m, representing a 26% decrease from £17.6m in 2024.

The Professional Education division remained the largest contributor, generating £9.2m, up from £8.4m in 2024 — a 9% increase — continuing to capitalise on demand for financial advice and corporate training qualifications.

The Higher Education division reported revenue of £2.6m, down from £4.3m in 2024, reflecting a 40% year-on-year decline. This reduction was driven by the strategic decision to cease new enrolments onto the existing online degree platform whilst transitioning to a new suite of online and on-campus programmes. Revenue was constrained during this transition period as legacy programmes were phased out and replacement programmes scaled.

The Schools division contributed £0.97m, compared to £2.8m in 2024, representing a notable decline year-on-year as the division phased out in the second half of 2025.

Overhead revenues were minimal at £27k, an improvement from a negative position of £116k in 2024.

Revenue from the MENA division was £189k and the APAC division contributed £66k, both reflecting only residual activity following the strategic decision in January 2025 to close both subsidiaries. Combined revenue

from these discontinued operations was £0.3m (2024: £2.6m). Revenue from continuing operations was £12.8m (2024: £15.0m).

4. FUNDING BODY GRANTS

OFS RECURRENT FUNDING

The institution received recurrent funding from the Office for Students (OfS) as follows:

- 2024/25 academic year: £118,733
- 2025/26 academic year: £175,723

In the 2025 calendar year, £140,144 was recognised as income, calculated as:

£69,261 (7/12 of the 2024/25 allocation, covering January–July 2025)

£70,883 (5/12 of the 2025/26 allocation, covering August–December 2025)

All recurrent funding supported student access and success initiatives, aligned with the institution's Access and Participation Plan (APP). Expenditure is monitored and reported per OfS guidance.

OFS CAPITAL GRANT INCOME

The institution received capital grant allocations from the OfS as follows:

- 2024/25 academic year: £41,152
- 2025/26 academic year: £30,000

In the 2025 calendar year, £22,500 was recognised, calculated as:

- £22,500 (9/12 of the 2025/26 allocation, covering April–December 2025)

DEPARTMENT FOR EDUCATION ("DfE") INCOME

In the year ended 31 December 2025, the institution recognised £515k in contract income from the DfE via the Education and Skills Funding Agency (ESFA). This income solely related to apprenticeship training delivered under the Apprenticeship Levy funding model.

5. OTHER INCOME

Group other income of £10.6m in 2025 (2024: £4.9m) includes £10.1m (2024: £4.2m) relating to intercompany income from IU Group under the Cooperation Agreement described in Note 26.

The increase reflects a materially higher cost base recharged to IU Group in FY2025, driven by the transfer and recruitment of higher education teams into Walbrook during late 2024 and early 2025, the reallocation of regulatory and quality assurance functions to support higher education activity, and the inclusion of approximately £2.1m in respect of IU Group employees contractually employed by Walbrook but working exclusively on IU Group activities — a category not captured under the prior year agreement.

Excluding intercompany income, other income primarily relates to membership services and event revenue generated by the Professional Education division.

In 2024, intercompany income from IU Group of £4.2m was presented within Revenue. Following a review of the nature of these receipts and their classification under the Intercompany Agreement (Note 26), this income has been reclassified to Other Income in the current year presentation. The 2024 comparative for Revenue has been restated from £21.8m to £17.6m at Group level, and from £19.7m to £15.5m on a Walbrook company basis, with

a corresponding increase in Other Income in each case. This reclassification has no impact on total income, operating loss or net assets for either period.

6. OWN WORK CAPITALISED

Own Work Capitalised represents the value of internal costs, primarily staff time, incurred in the development of long-term assets (e.g., course content). These costs are capitalised in line with the Company's accounting policy and recognised as intangible or fixed assets on the balance sheet, as they are expected to generate future economic benefit. While presented within the income statement, this is not revenue; rather, it reflects a reclassification of expenditure from the profit and loss account to the balance sheet, reducing the reported operating costs for the period.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Own Work Capitalised	170	99	170	99

7. COST OF MATERIAL AND SERVICES

Material costs fell significantly year-on-year, reflecting the completion of the institution's transition to fully digital course material delivery. The institution no longer prints or holds course textbooks and materials as inventory; physical copies remain available for students to order independently. Service costs remained broadly stable, continuing to reflect the use of guest lecturers and external expertise in support of academic delivery.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Cost of Material	118	947	98	939
Cost of Services	2,213	2,118	2,029	1,930
Total	2,331	3,065	2,127	2,869

8. PERSONNEL COSTS

The reduction in personnel costs was driven primarily by headcount reductions implemented following the 2024 restructuring and the closure of international operations. This was partially offset by continued investment in academic staff to support the launch of new Higher Education programmes. Social security costs were broadly stable year-on-year.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Salaries and Wages	9,334	10,952	8,637	9,555
Social Security	2,153	1,860	2,122	1,792
Employee Benefit Expense	-	11	-	11
Other Salary Expenses	1,079	195	1,078	193
Total	12,566	13,018	11,837	11,551

9. EMPLOYEES

The reduction in average headcount reflects the planned closure of the MENA and APAC subsidiaries and the consolidation of support functions following the transition to the new programme delivery model. The modest increase in academic staff supported the launch of new postgraduate programmes during the year.

	Group 2025	Group 2024	Walbrook 2025	Walbrook 2024
Average academic staff	33	29	33	29
Average non-academic staff	173	199	166	181
Total	206	228	199	210

10. AMORTISATION AND DEPRECIATION

Depreciation and amortisation relate to the systematic allocation of the cost of intangible and tangible assets over their useful lives. This includes depreciation on Property, Plant & Equipment (PP&E) and amortisation of intangible assets, such as software, trademarks, and self-generated intellectual property. Further details can be found in Section 16: Intangible Assets and Section 17: Property, Plant & Equipment.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Depreciation	250	367	250	367
Amortization - Intangibles	355	818	355	818
Amortization - Right of Use Assets	932	933	932	933
Amortization - Commissions	27	2	27	2
Total	1,564	2,120	1,564	2,120

11. OTHER OPERATING EXPENSES

Other operating expenses primarily comprise professional fees, IT and systems costs, premises-related expenses, and general administrative overheads.

In 2025, these costs reflect continued investment in the Company's operating platform, alongside ongoing expenditure to support regulatory compliance and the scaling of new online and on-campus programmes. The cost base also includes advisory and support costs associated with the transition away from legacy delivery models.

Premises-related costs decreased during the year, primarily due to a change in the Company's use of its Canterbury property. The property is now leased to a third party rather than occupied by the Company, resulting in reduced administrative and management costs associated with that site.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Occupancy Cost	1,593	2,336	1,554	1,943
Other Expenditure	1,455	1,233	477	801
Telecommunication and IT	66	150	63	149
Licences and Concessions	1,393	1,113	1,386	1,039
Vehicles	(1)	2	(1)	2
Advertising	1,235	3,100	1,195	2,971
Travel	182	231	174	161
External Services	867	1,046	846	936
Audit and Consulting	151	247	155	257
VAT Expense	566	1,099	454	1,000
Other Personnel Expense	51	373	50	372
Loss on Disposal of Fixed Assets	207	-	207	-
Write-off - Investment in MENA	-	-	423	2,152
Write-off - Intercompany Receivables (MENA & APAC)	-	-	-	761
Total	7,765	10,930	6,983	12,544

12. AUDITOR'S FEE

Fees for the 2025 audit services performed by auditors at HaysMac LLP (UK), Grant Thornton (MENA) and BDO (APAC) are as follows:

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
HaysMac LLP (Walbrook)	66	53	66	53
Grant Thornton (MENA)	8	12	-	-
BDO (APAC)	-	2	-	-
Total	74	67	66	53

13. RELATED PARTIES

RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of IU Group N.V., its ultimate parent undertaking.

During the year, the Company entered transactions with group undertakings in the normal course of business, including the receipt of funding and the provision and receipt of services. These transactions form part of the Group's operating and transfer pricing arrangements.

Transactions with related parties were conducted in accordance with the Group's transfer pricing policies and intercompany agreements. During the year, the Company recognised £10.1m (2024: £4.2m) of income from IU Group under intercompany arrangements.

At 31 December 2025, amounts due to / from related parties comprised loans from IU Group: £3.7m (2024: £4.1m).

KEY MANAGEMENT PERSONNEL

Key management personnel comprise members of the Board of Directors and the executive management team who have authority and responsibility for planning, directing and controlling the activities of the Company.

Total compensation for key management personnel during the year amounted to £1,320k (2024: £1,759k), comprising short-term employee benefits and post-employment benefits. The Company had no share-based payments or other long-term incentive arrangements during the year.

REMUNERATION OF THE HEAD OF PROVIDER

Steve Hill received a total base salary of £211,667 in 2025, a bonus payment of £30,000, and pension contributions of £9,333. Total remuneration for the year was £251,000.

The Head of Provider's basic salary was 5.1 times the median pay of staff (2024: 6.2), and total remuneration was 5.7 times the median total remuneration of staff, calculated on a full-time equivalent basis.

STAFF WITH REMUNERATION OVER £100K

The number of staff with a full-time equivalent basic salary above £100,000 per annum is shown in the table below.

Basic salary is determined as at the financial year end and is presented on a full-time equivalent basis. For these purposes, basic salary includes contractual salary and any market supplements paid, but excludes bonus payments, allowances, and other variable or performance-related pay. Salaries are stated before any adjustment for salary sacrifice arrangements. Staff who joined or left part-way through the year are excluded from the disclosure, in line with the OfS Accounts Direction.

The number of staff with remuneration above £100,000 as of 31 December 2025 is as follows:

Number of Staff with Salaries Above £100,000		
Salary Band	2025	2024
£100,000 – £104,999	-	-
£105,000 – £109,999	-	-
£110,000 – £114,999	1	-
£115,000 – £119,999	1	-
£120,000 – £124,999	2	1
£130,000 – £134,999	2	-
£135,000 – £139,999	2	-
£150,000 – £154,999	1	-
£155,000 – £159,999	2	-
£210,000 – £214,999	1	-
£215,000 – £219,999	-	1

EMPLOYEES PROVIDING SERVICES TO IU GROUP

As part of the Group's operating model, five employees are contractually employed by Walbrook Institute London Ltd but perform their duties primarily on behalf of the parent company. The full employment cost of these individuals is recharged to the parent entity through established transfer pricing arrangements.

14. NET FINANCIAL INCOME / EXPENSE

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Interest Income	2	(57)	(2)	103
Realised Currency Gain	(7)	(33)	6	4
Unrealised Currency Gain	2	36	4	1
Financial Income	(3)	(54)	8	108
Interest Expense	461	210	461	210
Interest Expense - Controlled Entities	-	-	-	-
Realised Currency Loss	11	52	6	7
Unrealised Currency Loss	(34)	26	2	-
Interest on IFRS Lease Liabilities	274	378	274	378
Financial Expense	712	666	743	595

15. GOODWILL

At 31 December 2025 Goodwill amounted to £6,272k at Walbrook. Goodwill is the excess of the consideration transferred over IU Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities in 2023. It comprises assets which are not separately recognised such as workforce, market share and access to new customers and markets. Management has formally assessed Walbrook to be a single cash-generating unit to which goodwill is allocated.

	Group Goodwill £000s	Walbrook Goodwill £000s
Cost		
At 31 December 2024	6,272	6,272
At 31 December 2025	6,272	6,272
Net Book Value		
At 31 December 2025	6,272	6,272
At 31 December 2024	6,272	6,272

16. INTANGIBLE ASSETS

Intangible assets primarily consist of software, trademarks, customer and accreditation-related assets, and self-generated commercial property rights. As of 31 December 2025, the total value of intangible assets was £7.3m, an increase from £6.8m in 2024.

	Software, Trademarks, Customers & Accreditations £000s	Self-generated Commercial Property Rights £000s	Total £000s
Cost			
At 31 December 2024	7,766	75	7,841
Additions	888	-	888
Disposals	-	(9)	(9)
At 31 December 2025	8,654	66	8,720
Amortisation			
At 31 December 2024	1,048	-	1,048
Charge for the period	355	-	355
At 31 December 2025	1,403	-	1,403
Net book value			
At 31 December 2025	7,251	66	7,317
At 31 December 2024	6,718	75	6,793

17. PROPERTY, PLANT & EQUIPMENT

Property, Plant & Equipment consists of the Company's offices, campus, and operational assets, including office equipment, computer installations, and right-of-use assets related to buildings and leased IT equipment. Walbrook owns one building in Canterbury and leases two office locations in London. The total value of PP&E for the year ended 31 December 2025 was £4.4m, a decrease from £5.8m in 2024. All PP&E belongs to Walbrook rather than its subsidiaries.

	Freehold property £000s	Leasehold improvements £000s	Computer installation, furniture and equipment £000s	Right of use assets - Buildings £000s	Right of use assets - Other £000s	Total £000s
Cost						
At 31 December 2024	2,130	54	1,061	4,539	53	7,837
Additions	-	98	55	-	13	166
Disposals	-	-	(622)	-	(53)	(675)
At 31 December 2025	2,130	152	494	4,539	13	7,328
Depreciation						
At 31 December 2024	97	39	411	1,402	18	1,967
Disposals	-	-	(179)	-	(28)	(207)
Charge for the period	54	31	165	922	10	1,182
At 31 December 2025	151	70	397	2,324	-	2,942
Net book value						
At 31 December 2025	1,979	83	97	2,215	13	4,387
At 31 December 2024	2,033	15	650	3,137	34	5,869

18. OTHER ASSETS – NON-CURRENT

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Investment in Controlled Entities	-	-	-	-
Intercompany Receivable/(Payable)	185	37	146	412
Total	185	37	146	412

19. ACCOUNTS RECEIVABLE

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Total	2,943	4,397	2,792	4,112

The Group's trade receivables are stated at transaction price. No loss allowance has been recognised at 31 December 2025 as management considers the credit risk on the outstanding balance to be low, reflecting the short-duration nature of receivables arising from the upfront and monthly payment structures described in Note 1.10. Amounts considered irrecoverable are written off directly to the income statement when identified, as reflected in the bad debt expense of £119k recognised in the year (2024: £714k).

Concentrations of credit risk are limited given the large number of individual learner accounts across Professional Education and Higher Education. Foreign currency risk on trade receivables is not considered material following the closure of the MENA and APAC subsidiaries in January 2025.

20. OTHER RECEIVABLES – CURRENT

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Other Receivables	959	689	951	616

21. CASH AND CASH EQUIVALENTS

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Cash and Cash Equivalents	2,597	4,127	2,381	2,614
Total	2,597	4,127	2,381	2,614

22. SHARE CAPITAL

Apart from its subsidiaries, there has been no change in equity within Walbrook since the asset deal with IU Group N.V. in March 2023. The opening and closing share capital balance for the year ended 31 December 2025, as well as a summary of the allotment of shares, is outlined below.

	Group 2025 £s	Group 2024 £s	Walbrook 2025 £s	Walbrook 2024 £s
Share Capital	(31,110,545)	(31,110,545)	(31,110,545)	(31,110,545)
Total	(31,110,545)	(31,110,545)	(31,110,545)	(31,110,545)

ALLOTMENT OF SHARES

	Number of shares #	Issue price per ordinary share £	Total amount paid £
Allotment of shares (14/09/2021)	100	1.00	100
Allotment of shares (31/03/2023)	2,000,000	1.00	2,000,000
Allotment of shares (31/03/2023)	24,110,445	1.00	24,110,445
Allotment of shares (13/07/2023)	2,000,000	1.00	2,000,000
Allotment of shares (04/12/2023)	3,000,000	1.00	3,000,000
Share capital (31-Dec-23)	31,110,545		31,110,545

23. OTHER CAPITAL RESERVES

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Pension OCI Reserve	6,100	6,100	6,100	6,100
Net Currency Translation	(10)	(16)	7	4
Total	6,090	6,084	6,107	6,104

PENSION SCHEME DISCLOSURE - YEAR ENDED 31 DECEMBER 2025

The actuary has calculated the pension disclosures for the financial year ended 31 December 2025 based on the asset and cashflow information provided by XPS Administration. The London Institute of Banking & Finance Pension Fund ("the Fund") is a defined benefit pension plan for current and former employees of Walbrook in the United Kingdom, managed under the regulatory framework of the Finance Act 2004 and the Occupational Pension Schemes (Funding and Investment) Regulations 2004 (as amended). These regulations establish minimum funding requirements and may impose asset ceiling limitations under IFRIC 14. The net obligation is calculated annually by an accredited actuary using the projected unit credit method per IAS 19. Pension scheme assets are valued at market rates, with deficits recognised in the balance sheet. Surpluses are not recognised unless recoverable through refunds or reduced future contributions, and no such recognition is currently assumed, pending further investigation into the Company's rights under the Fund's rules.

In May 2025, the Trustee of the Fund purchased a bulk annuity insurance policy with Pension Insurance Corporation ("PIC"), covering all members of the Fund. The Directors confirmed the disclosures should be prepared treating the buy-in policy as an investment decision recognised through other comprehensive income. The asset loss of circa £6m during 2025 is predominantly due to the difference between the cost of the policy in

May 2025 and the value of the insured benefits on the IAS 19 assumptions at that time. Following the buy-in, the bulk annuity policy is valued using the same IAS 19 assumptions as those used to value the liabilities, and the net balance sheet position is therefore less sensitive to assumption changes than in prior years.

The plan exposes the Company to risks including demographic changes, investment performance volatility, and regulatory constraints. A concentration of demographic risk persists, with three former senior managers accounting for approximately 10% of the defined benefit liability, as noted in prior assessments. As at 31 December 2025, contributions to the Fund were nil for the year, consistent with expectations. The Fund's membership comprises approximately 40% pensioners (average age ~72 years) and 60% non-retired members (average age ~55 years), with the youngest member projected to retire in 2047.

For 2025, high-quality corporate bond yields remained volatile over the year, generally rising but falling back towards year-end to end at broadly the same level as at 31 December 2024. As a result, the discount rate assumption is broadly unchanged at 5.64% (2024: 5.63%). Expected future price inflation fell over the year, with the CPI assumption decreasing from 2.76% to 2.51%, which is estimated to reduce the accounting liabilities by approximately 2% compared to 31 December 2024. The mortality projection model has been updated from CMI 2023 to CMI 2024, which introduces an overlay function to model the rise and subsequent fall in mortality rates following the COVID-19 pandemic, with a default half-life parameter of 1 year adopted in the absence of Fund-specific analysis.

The High Court's June 2023 judgment in the Virgin Media case, upheld by the Court of Appeal in July 2024, could affect the validity of past amendments to contracted-out schemes under the Reference Scheme Test post-1997. The Government has published a proposed amendment to the Pension Schemes Bill to allow schemes to retrospectively obtain actuarial confirmation of historic benefit changes. The Fund's Trustee is liaising with its legal advisers and is undertaking an audit of relevant documents, though this has not yet been completed. Auditors may still not insist on an allowance within the 2025 balance sheet position, but will expect narrative explaining progress in assessing any potential impact.

Amounts recognised in the statement of financial position

	2025 £000s	2024 £000s
Present value of scheme liabilities	(25,984)	(26,567)
Fair value of scheme assets	26,870	32,517
Funded status	886	5,950
Restriction on asset recognised	(886)	(5,950)
Net amount recognised at year end (before any adjustment for deferred tax)	-	-

Amounts recognised in comprehensive income – Service cost

The current and past service costs, settlements and curtailments, together with the net interest expense for the year are included in the employee benefits expense in the statement of comprehensive income. Remeasurements of the net defined benefit liability are included in other comprehensive income.

	2025 £000s	2024 £000s
Current service cost (net of employee contributions)	-	-

Administration expenses	-	-
Past service cost and loss/(gain) on settlements and curtailments	-	-
Net interest expense/(credit)	-	-
Charge/(credit) recognised in P&L	-	-

Remeasurements of the net liability

	2025 £000s	2024 £000s
Return on scheme assets (excluding amount included in interest expense)	6,060	4,148
Loss/(gain) arising from changes in financial assumptions	(592)	(3,285)
Loss/(gain) arising from changes in demographic assumptions	166	(701)
Experience loss/(gain)	(235)	52
Adjustment for restrictions on the asset recognised	(5,399)	(214)
Charge/(credit) recorded in OCI	-	-
Total defined benefit cost/(credit)	-	-

Principal actuarial assumptions

Principal Actuarial Assumptions	2025 £000s	2024 £000s
Liability discount rate (p.a.)	5.64%	5.63%
Inflation assumption - RPI (p.a.)	2.92%	3.21%
Inflation assumption - CPI (p.a.)	2.51%	2.76%
Rate of increase in salaries	n/a	n/a
Revaluation of deferred pensions – In excess of GMP (p.a.)	2.51%	2.76%
Revaluation – benefits accrued after Date B	0.00%	0.00%
Pension increases in payment – Post 1988 GMP (p.a.)	2.07%	2.20%
Pension increases in payment – Pre 2006 Excess over GMP (p.a.)	2.50%	2.71%
Pension increases in payment – Post 2006 Pension (p.a.)	1.85%	1.95%
Percentage of HMRC maximum cash taken	90%	90%

Life expectancy

Life Expectancy	2025 £000s	2024 £000s
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Male aged 60 at year end (current pensioner):	86.8	86.4
Female aged 60 at year end (current pensioner):	89.1	89.0
Male aged 40 at year end (future pensioner):	88.3	88.0
Female aged 40 at year end (future pensioner):	90.6	90.5

Changes in the present value of assets over the period

Changes in fair value of scheme assets	2025 £000s	2024 £000s
Fair value of assets at start of period	32,517	36,437
Interest income	1,792	1,640
Return on assets (excluding amount included in net interest expense)	(6,060)	(4,148)
Contributions from the employer	-	-
Benefits paid	(1,379)	(1,412)
Fair value of assets at end of period	26,870	32,517
Actual return on assets over the period	(4,268)	(2,508)

Changes in the present value of liabilities over the period

Changes in present value of liabilities	2025 £000s	2024 £000s
Liabilities at start of period	26,567	30,543
Interest cost	1,457	1,370
Actuarial gains/losses – changes in financial assumptions	(592)	(3,285)
Actuarial gains/losses – changes in demographic assumptions	166	(701)
Other experience items	(235)	52
Benefits paid	(1,379)	(1,412)
Liabilities at end of period	25,984	26,567

Major categories of scheme assets

Major categories of scheme assets	2025 £000s	2024 £000s
Investment Fund	-	5,515
Matching Fund	-	26,850
Insurance products (bulk annuity policy with PIC)	25,856	-
Cash and net current assets	1,014	152
Total market value of assets	26,870	32,517

Sensitivity analysis

Sensitivity of the liability value to changes in principal assumptions	2025 £000s	2024 £000s
Discount rate – increase by 0.25% p.a.	(672)	(732)
Rate of inflation (CPI) – increase by 0.25% p.a.	524	569
Assumed life expectancy at age 65 – increase by 1 year	831	895

CURRENCY TRANSLATION RESERVE

The net currency translation reserve represents exchange differences arising on the translation of foreign operations. The movement during the year was as follows:

- **Group:** opening balance (£16k), exchange differences arising in the year £6k, closing balance (£10k).
- **Walbrook:** opening balance £4k, exchange differences arising in the year £3k, closing balance £7k.

These amounts are not available for distribution to shareholders.

24. ACCOUNTS PAYABLE & OTHER LIABILITIES

Trade payables decreased year-on-year, reflecting reduced procurement activity following programme rationalisation and the completion of the transition to digital course delivery. Customer On-Account balances increased significantly, driven by higher student pre-payments received under the tightened admissions controls and pre-payment mechanisms introduced during 2025. Social security and payroll-related liabilities fell in line with the reduction in headcount. Accruals for third-party services and expiring invoices both decreased, consistent with reduced external service spend and the simplification of the supplier base.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Accounts Payable – Trade	627	784	627	771
Customer On-Account	2,119	599	2,119	598
Social Security Payable	60	404	60	404
Accruals for Third-Party Services	150	340	150	340
Accruals for Other Expiring Invoices	96	337	93	315
Employee Payroll Payable	(1)	154	(1)	154
Other Payables	314	85	320	35
Total Other Current Liabilities	3,365	2,703	3,368	2,617
Accrued Salaries and Wages	-	91	-	91
Other Accruals	583	558	567	161
Total Other Short-Term Provisions	583	649	567	252

25. LEASE LIABILITIES

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Right of Use Liabilities - Current	998	970	998	970
Right of Use Liabilities - Non-Current	1,418	2,443	1,418	2,443
Total	2,416	3,413	2,416	3,413
Amounts Recognised in the Profit and Loss				
Interest on IFRS Lease Liabilities	274	378	274	378

Lease liabilities are related to the real estate and IT for the property located on 7th & 8th Floor, Peninsular House, Monument Street, London, England EC3R 8LJ.

26. NON-CURRENT FINANCIAL LIABILITIES

Walbrook is a wholly owned subsidiary of IU Group NV. The two parties operate under a Cooperation Agreement effective 1 January 2024 under which IU Group NV provides Walbrook with access to know-how, trademarks, educational platform and IT infrastructure, marketing support, and related operational services. In consideration, Walbrook pays a preliminary fee based on net third-party sales, subject to adjustment to ensure Walbrook earns a return on sales within an arm's length range determined by transfer pricing analysis. Where Walbrook's realised return on sales falls below the lower bound of the arm's length range, IU Group NV is contractually required to make a balancing payment to Walbrook.

The drivers of the year-on-year increase are described in Note 5.

With effect from 1 January 2026, the Transfer Pricing Agreement has been superseded by a simplified cost-plus services arrangement, reflecting Walbrook's transition to ownership and delivery of its own programmes. The intercompany income arising from the licensing and balancing payment mechanism will therefore not recur at the same scale in future periods.

The intercompany loan from IU Group, which provides financial support pending Walbrook reaching sustainable cash generation, had a balance of £3.7m at 31 December 2025 (2024: £4.1m).

All transactions with IU Group NV are conducted on arm's length terms in accordance with the Transfer Pricing Agreement and applicable transfer pricing principles.

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Loans - Controlled Entities (Non-Current)	3,734	4,052	3,734	4,052
Total	3,734	4,052	3,734	4,052

27. DEFERRED REVENUE

The £2.9m in current deferred revenue for Walbrook in 2025 includes: Professional Education (£1.83m), Higher Education Programmes (£879k), Subscriptions and Memberships (£191k).

	Group 2025 £000s	Group 2024 £000s	Walbrook 2025 £000s	Walbrook 2024 £000s
Deferred Revenues - Non-Current	1,095	1,150	1,095	1,102
Deferred Revenues - Current	2,859	4,562	2,859	4,562
Total	3,954	5,712	3,954	5,664

28. DISCONTINUED OPERATIONS

RESULTS OF DISCONTINUED OPERATIONS – GROUP

In January 2025, following a strategic decision taken in late 2024, the Group ceased operations in both of its international subsidiaries, The London Institute of Banking & Finance (MENA) Ltd and The London Institute of Banking & Finance (APAC) PTE Ltd, and both entities are in the process of being formally wound down. Activity in 2025 represents residual operations only prior to closure. These operations are classified as discontinued under IFRS 5.

	31/12/2025	31/12/2024
	£000s	£000s
Revenue	255	2,635
Expenses	(966)	(3,457)
Loss before Income Tax	(711)	(822)
Income Tax Expenses	-	-
Loss for the Year from Discontinued Operations	(711)	(822)

CASH FLOWS FROM DISCONTINUED OPERATIONS – GROUP

	31/12/2025	31/12/2024
	£000s	£000s
Cash Flows from Operating Activities	(1,297)	1,055
Cash Flows from Investing Activities	-	30
Cash Flows from Financing Activities	-	6
Cash Flows from Discontinued Operations	(1,297)	1,091

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