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File No. [ ]

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

**FORM 10**

**GENERAL FORM FOR REGISTRATION OF SECURITIES**  
Pursuant to Section 12(b) or 12(g) of the Securities Exchange Act of 1934

**Public Policy Holding Company, Inc.**

(Exact Name of Registrant as Specified in its Charter)

Delaware

87-3557229

(State or Other Jurisdiction of  
Incorporation or Formation)

(I.R.S. Employer  
Identification Number)

800 North Capitol St. NW, Suite 800  
Washington, DC

20002

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code: (202) 688-0020

*with copies to:*

Roeland Smits  
Chief Financial Officer  
Public Policy Holding Company, Inc.  
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Washington, DC 20002

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Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class  
to be registered

Name of each exchange on which  
each class is to be registered

Common Stock, \$0.001 par value

The Nasdaq Stock Market LLC

Securities to be registered pursuant to Section 12(g) of the Exchange Act:

None.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Securities Exchange Act of 1934.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the Company has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## EXPLANATORY NOTE

Public Policy Holding Company, Inc. (the “Company” or “PPHC”) is filing this General Form for Registration of Securities on Form 10 (this “registration statement”) to register its common stock, par value \$0.001 per share (“Common Stock”), pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), in connection with the proposed listing of the Common Stock on The Nasdaq Stock Market LLC (“Nasdaq”). The Company was incorporated in the State of Delaware on February 4, 2021 for the purpose of serving as the holding company of a portfolio of independent firms that offer public affairs, crisis management, lobbying and advocacy services on behalf of corporate, trade association and non-profit client organizations. See “*Item 1. Description of Business—Corporate History.*” Unless the context indicates otherwise, all references in this registration statement to “we,” “us” and “our” refer to PPHC.

As of May 20, 2025, the Company has approximately 122,734,191 shares of Common Stock outstanding held by approximately 184 record holders. The Company’s Common Stock has been admitted to trading on the AIM market of the London Stock Exchange (“AIM”) since December 16, 2021 under the symbol “PPHC.L.” The Company intends to also list its Common Stock on Nasdaq under the symbol “PPHC”. The Company currently intends to maintain the admission of its Common Stock on AIM.

We are an “emerging growth company”, as defined in the Jumpstart Our Business Startups Act of 2012 (“JOBS Act”) As a result, we are eligible to take advantage of certain reduced disclosure and other requirements that are otherwise applicable to public companies including, but not limited to, not being subject to the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”).

Once this registration statement is effective, we will be subject to the requirements of Section 13(a) of the Exchange Act, including the rules and regulations promulgated thereunder, which will require us, among other things, to file annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, and we will be required to comply with all other obligations of the Exchange Act applicable to issuers filing registration statements pursuant to Section 12(b) of the Exchange Act. Upon effectiveness of this registration statement, we will also be subject to the proxy rules in Section 14 of the Exchange Act, and we and our directors, officers and principal stockholders will be subject to the reporting requirements of Sections 13 and 16 of the Exchange Act. The US Securities and Exchange Commission (the “SEC”) maintains an Internet Website (<http://www.sec.gov>) that contains the reports mentioned in this section.

## CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This registration statement contains forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “target,” “estimate,” “intend,” “continue” or “believe” or the negatives of, or other variations on, these terms or comparable terminology. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our stockholders. Our forward-looking statements include information in this registration statement regarding general domestic and global economic conditions and the expected performance of our business. There may be events in the future, however, that we are not able to predict accurately or control.

The factors listed under “*Item 1A. Risk Factors*,” as well as any cautionary language in this registration statement, provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in the forward-looking statements contained in this registration statement. The occurrence of the events described in these risk factors and elsewhere in this registration statement could have a material adverse effect on our business, results of operations and financial position. Any forward-looking statement made by us in this registration statement speaks only as of its date. Factors or events that could cause our actual results to differ from our forward-looking statements may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You are advised to consult any additional disclosures through reports that we in the future may file with the SEC, including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

The following factors are among those that may cause actual results to differ materially from the forward-looking statements in this registration statement:

- reduction in the demand for our services from clients;
- damage to our reputation in our industry;
- loss of key personnel;
- inability to successfully implement our business strategy, including through future acquisitions or other strategic transactions;
- failure to adequately coordinate and monitor our operating subsidiaries;
- our inability to compete effectively outside the US or in new business lines;
- loss of employees or clients to new or existing competitors;
- competition from parties who sell their businesses to us or from professionals who depart such companies following the companies’ acquisition by us;
- errors in forecasting and planning, setting operation and financial performance targets or relying on non-GAAP financial metrics which may not provide the best measurement of our performance or may not be comparable with similar measures used by our competitors;
- macroeconomic and political risks;
- reliance on third-party suppliers and third-party technology;
- cyber-security breaches or disruptions to our information technology systems;
- failure to comply with data privacy laws;
- failure to comply with regulations applicable to lobbying activities or other aspects of our business;

- failure to maintain effective internal controls over financial reporting; and
- the costs of servicing our debt, and the restrictions placed on our operations under related debt agreements.

## RISK FACTOR SUMMARY

The following is only a summary of the principal risks that may adversely affect our business, financial condition, results of operations and cash flows. The following should be read in conjunction with the complete discussion of risk factors we face, which are set forth below under “*Item 1A. Risk Factors.*”

Some of the more significant risks relating to our business, our private offering and investment in our Common Stock include:

- reduction in the demand for our services from clients;
- damage to our reputation in our industry;
- loss of key personnel;
- inability to successfully implement our business strategy, including through future acquisitions or other strategic transactions;
- failure to adequately coordinate and monitor our operating subsidiaries;
- our inability to compete effectively outside the United States or in new business lines;
- loss of employees or clients to new or existing competitors;
- competition from parties who sell their businesses to us or from professionals who depart such companies following the companies’ acquisition by us;
- errors in forecasting and planning, setting operation and financial performance targets or relying on non-GAAP financial metrics which may not provide the best measurement of our performance or may not be comparable with similar measures used by our competitors;
- macroeconomic and political risks;
- reliance on third party suppliers and third-party technology;
- cyber-security breaches or disruptions to our information technology systems;
- failure to comply with data privacy laws;
- failure to comply with regulations applicable to lobbying activities or other aspects of our business;
- failure to maintain effective internal controls over financial reporting; and
- the costs of servicing our debt, and the restrictions placed on our operations under related debt agreements.

**CAUTIONARY NOTE REGARDING EMERGING GROWTH COMPANY STATUS**

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. At times, the Company may elect to adopt a new or revised standard early.

#### CAUTIONARY NOTE REGARDING INDUSTRY AND MARKET DATA

This registration statement includes information concerning the Company's industry and the markets in which it operates that is based on information from various sources including public filings, internal company sources, various third-party sources and management estimates. Management estimates regarding the Company's position, share and industry size are derived from publicly available information and its internal research, and are based on a number of key assumptions made upon reviewing such data and the Company's knowledge of such industry and markets, which it believes to be reasonable. While the Company believes the industry, market and competitive position data included in this registration statement is reliable and is based on reasonable assumptions, such data is necessarily subject to a high degree of uncertainty and risk and is subject to change due to a variety of factors, including those described in "*Cautionary Note Regarding Forward-Looking Statements*," "*Item 1A. Risk Factors*" and elsewhere in this registration statement. These and other factors could cause results to differ materially from those expressed in the estimates included in this registration statement. The Company has not independently verified any data obtained from third-party sources and cannot assure you of the accuracy or completeness of such data.

#### **WHERE YOU CAN FIND MORE INFORMATION ABOUT US**

When this registration statement becomes effective, the Company will begin to file reports, proxy statements, information statements and other information with the SEC. You may read and copy this information, for a copying fee, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, DC 20549. Please call the SEC at 1-800-SEC-0330 for more information on its Public Reference Room. Our SEC filings will also be available to the public from commercial document retrieval services and at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). Information contained on any website referenced in this registration statement is not incorporated by reference into this registration statement.

The Company's Internet website address is <https://pphcompany.com>. Information contained on the website does not constitute part of this registration statement. The Company has included its website address in this registration statement solely as an inactive textual reference. When this registration statement is effective, the Company will make available on its website electronic copies of the materials it files with the SEC, including Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, the Section 16 reports filed by its executive officers, directors and 10% stockholders and amendments to those reports.

## ITEM 1. DESCRIPTION OF BUSINESS

### Business Overview

Our mission is to be the preeminent strategic communications and government relations provider by uniting a diverse group of leading specialists around the world for the collective success of our clients, employees, and shareholders.

We founded our business to address the increasing complexity and costs facing corporate and non-profit entities in managing increasingly complicated and interdependent public policy and reputational challenges. We operate a portfolio of firms that offer global strategic communications services, including government relations, public affairs and public relations. Engaged by over 1,300 clients, including companies, trade associations and non-governmental organizations, we are active in all major sectors of the economy, including healthcare and pharmaceuticals, financial services, energy, technology, telecoms and transportation. Our services help clients to enhance and defend their reputations, advance policy goals, manage regulatory risk and engage with federal and state-level policy makers, stakeholders, media and the public in multiple jurisdictions and with diverse and complementary capabilities.

Since our inception in 2014, we have acquired and integrated numerous businesses specializing in key facets of strategic communications, including government relations, public affairs, research, crisis management, investor relations and creative communications delivery. Under the PPHC holding company, the Group now operates as 11 member companies in the United States (“US”) and the United Kingdom (“UK”), with expanding reach into Europe and parts of Asia and the Middle East. These 11 member companies (together with PPHC, the “Group”) include Crossroads Strategies, LLC (“Crossroads”), Forbes Tate Partners LLC (“Forbes Tate”), Blue Engine Message & Media, LLC (doing business as Seven Letter) (“Seven Letter”), O’Neill & Partners, LLC (doing business as O’Neill & Associates) (“O’Neill”), Alpine Group Partners, LLC (“Alpine”), KP Public Affairs LLC (“KP”), MultiState Associates, LLC (“MultiState”), Concordant LLC (“Concordant”), Lucas Public Affairs, LLC (“Lucas”), Pagefield Communications Limited (“Pagefield”) and TrailRunner International, LLC (“TrailRunner”).

We operate in large and growing markets with room for us to expand, increasingly in quickly developing domestic and international markets. Federal lobbying spend in 2024 was \$4.4 billion and state lobbying spend was estimated to be over \$1.2 billion. Beyond this, the US PR market is expected to be \$24.6 billion in 2025, with a cumulative annual growth rate (“CAGR”) of 5.6% over the past five years.

We have built a scalable platform which also creates cross-selling and referral opportunities. We provide our companies with a scalable platform for growth, providing uniform and efficient financial infrastructure, legal services, human resources, compliance and administration at the parent company level. We also incentivize cross-company selling, talent referrals and effective conflict management remedies across our client portfolio.

We have grown our geographical reach and practice capabilities to provide clients a full range of services through multiple member companies. Our evolution to date is the result of a careful and methodical strategy to build a unique service platform to simplify and more effectively address global client challenges and opportunities in an increasingly fragmented and accelerated policy and communications landscape. This growth strategy is predicated on adding both geographic reach for clients and a complete set of asset capabilities to bring the client the ability to synthesize and simplify the best in class practices to address policy and reputational issues. Leveraging deep policy and issue expertise derived from our original core government relations member companies, first established in 2014, we now work with clients to provide the full-spectrum of strategic communications, including government affairs, public affairs, issues and crisis communications, financial communications and corporate and institutional reputation management needs.

Building on the globalization of public policy and reputation challenges, our founders and many of our senior managers operate in Washington, DC, and have past careers and/or close professional ties to the US executive branch, Congress and regulatory authorities over a period of more than 30 years. Other leaders operate principally at the state or regional level, drawing on decades of experience, deep community ties and relationships with key stakeholders in key markets, including Sacramento, California, Dallas-Fort Worth, Texas and New York, New York. With the acquisition of Pagefield in June 2024 and TrailRunner in April 2025, we have expanded our operations to

London, Shanghai, Abu Dhabi and Dubai, giving us truly global reach. We continue to look for opportunities to broaden the geographic scope of our services both domestically and abroad.

Adding complementary practice capabilities to augment geographic coverage, our business comprises three reporting segments—Government Relations Consulting, Public Affairs Consulting and Diversified Services—corresponding to the different types of strategic communications services our member companies provide to our clients:

- *Government Relations Consulting* services include advocacy, strategic guidance, political intelligence and issue monitoring at the US federal and state levels and internationally through our offices in London, Shanghai, Abu Dhabi and Dubai;
- *Public Affairs Consulting* services include crisis communications, community relations, social and digital media, public opinion research, branding and messaging, relationship marketing, investor communications and litigation support; and
- *Diversified Services* include compliance services and legislative tracking.

We now have over 1,300 active client relationships from a diverse range of sectors, with low client concentration. As of December 31, 2024, we had approximately 1,200 active client relationships, of which 503 contributed \$100,000 or more in annual revenue, with no single client representing more than 2.0% of overall revenues, reflecting relatively low client concentration risk. As of May 20, 2025, we had over 1,300 active client relationships, reflecting organic growth and the completion of the recent TrailRunner acquisition. Our client portfolio includes clients in the healthcare and pharmaceuticals, defense and aerospace, agriculture, financial services, energy, technology, telecom and transportation sectors. We also have a track record of high client retention, with an average annual renewal rate of approximately 78.3% and an average revenue retention of 84.4% between 2020 to 2024.

For the year ended December 31, 2024, we incurred \$24.0 million of net loss, but were able to generate \$36.1 million of Adjusted EBITDA. The primary difference between our GAAP net loss and our non-GAAP Adjusted EBITDA is a non-cash share-based accounting charge relating to our 2021 pre-IPO shares of \$31.8 million. Other adjustments comprise acquisition related expenditures (post-combination compensation expense, changes in fair value of contingent consideration and gain on bargain purchase price) as well as long-term incentive programs charges, interest, tax, depreciation and amortization. We believe that our revenue growth and Adjusted EBITDA are a testament to the cash generating fundamentals of the compelling value proposition that we offer our clients.

For a discussion of our use of non-GAAP measures, and a reconciliation to the most directly comparable GAAP measures, see ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures*,’ below.

The table below presents our revenue, revenue growth and other financial performance measures over the period 2018-2024:

	2018	2019	2020	2021	2022	2023	2024	2024 Normalized <sup>(1)</sup>	CAGR 2018-2024
Revenue (\$m)	33.8	55.5	77.4	99.3	108.8	135	149.6	149.6	28.1 %
Revenue growth (year over year)	28.0 %	64.2 %	39.5 %	28.3 %	9.6 %	24.1 %	10.8 %	10.8 %	
Organic Revenue Growth	25.3 %	32.5 %	8.3 %	24.4 %	6.7 %	2.0 %	2.7 %	2.7 %	
Net loss (US\$m)					(15.0)	(14.2)	(24.0)	(21.6)	
Adjusted EBITDA (US\$m) <sup>(2)</sup>					31.2	35.1	36.1	39.2	
Net loss margin					(13.8)%	(10.6)%	(16.0)%	(14.4) %	
Adjusted EBITDA margin <sup>(2)</sup>					28.7 %	26.0 %	24.2 %	26.2 %	
Top 10 clients as % of total revenue	25.9 %	17.9 %	12.3 %	14.7 %	11.0 %	10.8 %	8.7 %	8.7 %	

(1) Net loss and Adjusted EBITDA in 2024 was significantly impacted by higher-than-normal one-off expenses, driven by two items: (i) the start-up losses at the self-incubated company Concordant, and (ii) transaction expenses related to M&A, which were unusually high in 2024 due to PPHC making its first international acquisition and the inclusion of bank loan origination costs. Together, these expenses increased from \$0.5 million in the year ended December 31, 2023 to \$3.6 million in the year ended December 31, 2024, reflecting an increase of \$3.1 million in 2024, with an after tax impact of \$2.4 million in 2024. Only for illustrative purposes, the company provides a ‘Normalized’ 2024 profit in which the impact of this increase in one-off costs was removed.

(2) The Group has presented Adjusted EBITDA from 2022 onwards only as prior to 2022 the Group was formed as a partnership with profits being distributed to the partners.

### Corporate History

Public Policy Holding Company, LLC (“PPHC-LLC”) was founded in 2014 to create a company for bringing together firms focused on strategic communications and government relations to address the complexity and costs facing corporate and non-profit entities in managing increasingly complicated and interdependent public policy and reputational challenges. The founders—a group of experienced federal government affairs professionals and communications practitioners—believed that such a group would be capable of achieving higher revenue and profit margins in a highly fragmented and specialized industry through wider geographic reach and larger scale service capabilities. PPHC-LLC’s founders recognized the continuing increase in both corporate and non-profit spending on strategic consulting, including lobbying and public affairs, and sought to benefit from this increase by integrating premium services, deep issue and policy expertise, and the geographic reach necessary to provide clients with a full suite of critical stakeholder solutions.

Drawing on prior experience at WPP plc and other advertising and public relations (“PR”) companies, the founders established a series of independently branded and managed vertical operating subsidiaries for better conflict management, client management and talent retention, while achieving financial and operational synergies, savings and scalability within the Group.

In 2021, the Group carried out a pre-IPO reorganization in connection with the initial admission of its shares of Common Stock for trading on AIM pursuant to which the Company was formed and PPHC-LLC contributed substantially all its assets to the Company. Following that contribution, PPHC-LLC was dissolved and liquidated.

Key developments in our history are outlined below:

<i>Service Expansion /Acquisition</i>	<i>Date</i>	<i>Rationale</i>
Founding firms Crossroads and Forbes Tate combine to create PPHC-LLC	July 2014	The combination of the two businesses to create PPHC-LLC
Forbes Tate expands into public affairs with senior hires	July 2014	Forbes Tate begins organic buildout of a complementary public affairs component through talent acquisition, initially concentrating on social media conversation management
JDA Frontline	July 2015	JDA Frontline joined PPHC as its first public affairs and strategic communications business
Capitol Strategies	December 2016	Crossroads merged with Capitol Strategies to expand advocacy capabilities on behalf of clients across the political spectrum
Blue Engine Message and Media	November 2018	Blue Engine Message and Media merges with JDA Frontline to later rebrand as Seven Letter, expanding PPHC's Washington based public affairs, data research and media management capabilities
Forbes Tate adds polling and message testing capability with senior hires	February 2019	Forbes Tate continues the expansion of its public affairs component by adding polling and message testing capabilities
O'Neill	February 2019	O'Neill was acquired by PPHC to expand into state lobbying and public affairs
Formation of Seven Letter Labs	October 2019	Seven Letter expanded its digital media buying capabilities with the formation of Seven Letter Labs
Alpine	January 2020	Alpine joins PPHC, ultimately giving the Group three of the top twenty federal advocacy firms (out of a universe of over 2,000 federally registered lobbying firms)
Former Senate Majority Leader Trent Lott and Senator John Breaux's lobbying practice	June 2020	Former Senate Majority Leader Trent Lott and Senator John Breaux joined their lobbying practice with Crossroads further developing its credentials
Alpine Advisors is formed with the addition of former U. S. House Commerce Chairman Greg Walden	February 2021	Former Chairman Greg Walden joined the Group to broaden our capabilities through strategic advisory and consulting services
KP	October 2022	Expanded our platform to California with the acquisition of KP, a leading California lobbying, government affairs, and PR firm
MultiState	March 2023	Acquired MultiState, one of the largest state and local government relations specialists, with a network in all 50 US states and a comprehensive set of compliance, policy tracking and research capabilities
Launch of Concordant	November 2023	Launched Concordant, a new operating entity, to provide integrated government relations, public affairs, audience insight capabilities and full-service, strategic communications services
Lucas	May 2024	Consolidated our market position in California and increased our expertise in critical sectors including technology, green energy, and healthcare, with the acquisition of Lucas, one of California's largest state and local government relations specialists

<i>Service Expansion /Acquisition</i>	<i>Date</i>	<i>Rationale</i>
Pagefield	June 2024	Established foothold outside of the US with the acquisition of Pagefield, a UK-based strategic communications firm headquartered in London
TrailRunner	April 2025	Acquired TrailRunner, a Texas-based global communications advisory firm, expanding our global reach through TrailRunner's offices in Shanghai, Abu Dhabi, Dubai and the UK, and enhancing our capabilities in corporate affairs, financial communications, crisis communications, litigation communications and reputation management

## **Our Strengths**

### ***We offer integrated policy and communications expertise across all sectors.***

Our multi-disciplinary services cater to a diverse client base looking to navigate the rapidly evolving political, policy and regulatory dynamics at all levels of government in the US and in the other key jurisdictions where we operate. Our integrated solutions, anchored in US federal lobbying, expand the opportunities for public affairs advisory, research, and digital communications capabilities that are particularly attractive to blue-chip brands looking for a more holistic approach to public affairs and stakeholder management. Through recent acquisitions, we have grown our service offering to encompass state-level government relations in a number of key jurisdictions, and achieved global reach with offices in the UK, Dubai, Abu Dhabi and Shanghai, allowing us to offer clients a truly global platform.

Through successful M&A and organic development within the member companies, we have also expanded our capabilities in our Public Affairs Consulting and Diversified Services segments, and offer clients a wider range of services in strategic research, media management and public affairs.

### ***We have diversified revenue sources from a blue-chip client base, increasing the predictability of our revenues and cash flows.***

We have an active, growing client base of over 1,300 corporates (including half of the Fortune 100), trade associations and non-governmental organizations in all major sectors of the US economy, including: healthcare and pharmaceuticals, financial services, energy, technology, telecom and transportation sectors. Most client work is retainer-based, in 2024 representing more than 93.5% of our client revenue, and as retainers are billed in advance of services, there is little hourly billing. We also benefit from ongoing customer relationships, with a Group-wide average annual revenue renewal rate of 84.4% over the period 2020 to 2024. In the year ended December 31, 2024, 503 client relationships generated revenues equal to or in excess of \$100,000, demonstrating the significant depth and scope of our relationships with some of our biggest clients. Given the relatively low resource intensity and capex of our business model, combined with historically low debtor issues, we also benefit from relatively predictable cash flows.

### ***We have built an enviable position in a complex market, grounded in broad expertise and trusted by stakeholders across the political spectrum.***

Our deep networks and relationships with figures from across the political spectrum at the federal and state levels in the US and in the UK, are well positioned to allow PPHC to benefit from continued regulatory and technological disruption, which is in turn expected to positively affect the growth and expansion of the strategic communications market. We are positively situated for acquisitive growth and capability enhancements with our established process for sourcing, negotiating and integrating quality, founder-led, small and mid-sized firms.

***The markets for our original core services, federal and state lobbying, are large, fragmented and growing, creating opportunities for us to grow our revenues and seize market share. Further expansion into strategic communications services, including media management and research, represent much larger potential markets for growth.***

According to US federal government reporting, in 2024, we were the largest provider of federal contract lobbying services in the US for the fifth straight year, with \$71.0 million of disclosed lobbying revenue, and three of our bipartisan member companies ranked among the top 20 federal lobbying firms in the US. Yet we still only captured approximately 1.6% of the estimated \$4.4 billion in federal lobbying spend in 2024. Our scale and the relatively fragmented nature of this market suggest there is significant runway for us to continue to grow our initial core business, both organically and through strategic acquisitions. US federal lobbying spending continues to see stable growth (approximately 4.0% in 2024), a trend which seems likely to continue in a period of significant changes to federal policies and spending priorities and considerable political polarization.

In addition, the US state lobbying market, estimated to represent more than \$1.2 billion in spending, also presents opportunities, with state regulatory agendas having a major impact on our clients and, as in the case of California, sometimes acting as the national standard setter in various regulatory areas. We have made inroads to certain key states, including California, Texas and Massachusetts, through our acquisitions of O’Neill, Lucas, MultiState, KP and TrailRunner, but believe there are further opportunities to expand in key states such as Texas, New York and Florida.

The international market for government relations, as defined by local statute or standard, is hard to fully determine, but we estimate it to be between \$6-7 billion across the European Union and G7 countries. While there are cultural nuances and customs specific to each country or region, the critical and ever-evolving relationship between business and government in many markets takes a similar form to that in the US federal and state markets.

The US PR market (including strategic communications and public affairs) is expected to reach \$24.6 billion with CAGR of 5.6% in 2025, over five times the size of the US federal lobbying market (\$4.4 billion in 2024). We believe this presents an opportunity for us to leverage our existing relationships and our understanding of the operations, market dynamics and constituencies of the clients who already rely on our Government Relations services to offer those clients a wider range of strategic advisory services.

***We have a proven track record of successful strategic acquisitions and integration.***

From January 1, 2018 to December 31, 2024, we achieved revenue growth of 28.1% CAGR, with organic revenue growth of 15.6% CAGR over the same period. Expanding from our early member companies—Forbes Tate, Alpine Group and Crossroad Strategies, which have been ranked consistently in the top 20 federal lobbying firms since their inception and maintain a high market share despite a highly fragmented market—we have successfully integrated numerous member companies since 2021. While retaining their distinctive company cultures and operating-level management, newly acquired companies benefit from top-line synergies, driven by complementary service lines and geographic collaboration with our other member companies, and cost synergies driven by adoption of certain back-office tasks as well as procurement in certain areas by our central team.

Member company employees also benefit from the ability to receive equity in the Company through the omnibus incentive plan adopted by the Group in 2021 (the “Omnibus Incentive Plan”), as well as broader career progression and personal development opportunities as part of a growing, publicly listed and international group. The positive results of this approach are illustrated in the post-acquisition performance of some of our key member companies. For instance, between 2021, the last fiscal year before it was acquired, and 2024, KP has seen accelerated revenue growth of 22.3% and growth in profit before tax of 39.2% over that same period. Similarly Multistate has seen 55.8% revenue growth and 107.2% growth in profit before tax for the period from 2021 (pre-acquisition) to 2024.

Our acquisition strategy is focused on enhancing our capabilities, establishing new verticals within new geographies, new related offerings and managing conflicts across the client portfolio. We intend to target complementary companies and talent groups that (1) have best-in-class ethical and compliance standards, (2) can grow our market share and diversification, (3) have an attractive financial profile, and are accretive and value-

additive, helping us to maintain group-wide margins and (4) offer long-term business benefits and opportunities to capitalize on economies of scale by leveraging each member company's management, clients, brand and goodwill.

***Our operating model is efficient and, we believe, attractive to potential acquisition targets.***

Our operating model, to date, is to allow member companies and their management teams to continue to operate with appropriate strategic discretion within the parent company model. This paradigm allows the existing founders and managers to continue to run their companies, while receiving financial and operational infrastructure and support, clear reporting and financial management targets and other professional support. We believe this model achieves operational economies of scale and liberates founders and managers to place even greater focus on their clients' needs and opportunities, improving both the quality of their services and their bottom line. While certain of our member companies compete in the same markets, each member company brings to the table a different experience, expertise and relationship profile for clients to choose from, increasing the likelihood that we as a group will win new work.

Having established a client relationship, a member company may then find opportunities and are financially incentivized to cross-refer the client to other member companies with complementary capabilities and industry focuses in response to client needs, increasing the aggregate basket of services contracted to us. By maintaining operationally distinct member companies subject to strict client matter screens to protect client confidential information, we are also able to effectively manage potential conflicts within the Group, such that one member company is often able to work on a matter that would present conflicts for another member company, further enhancing our market coverage. Indeed, maintaining and reinforcing our robust conflicts procedures remains a key focus for us as the business grows, reflected in our recent hiring of a chief client officer responsible for conflicts management.

***We believe our status as a listed company increases our attractiveness to both potential employees and acquisition targets, supporting the hiring and retention of top talent and further growth through strategic acquisitions with share-based incentives.***

In addition to our attractive operating model, we believe our being quoted on AIM, and our intended US listing, increases our attractiveness to both potential employees and acquisition targets by providing a high degree of transparency with regard to corporate governance, financial performance and business development, and potentially supporting greater liquidity for our Common Stock, allowing us to use our Common Stock as an attractive form of consideration for potential acquisitions and compensation for employees. We believe this step will help support the continued growth of our business through strategic acquisitions and the hiring and retention of market leading consultants.

***We have highly experienced, entrepreneurial management teams.***

Our management teams bring decades of operational expertise across multiple sectors and with a wide range of capabilities, along with significant experience and track records in scaling services businesses. Further information on the backgrounds of the individual board members and senior management, see "Item 5: Directors and Executive Officers."

***We maintain high ethical and compliance standards.***

Lobbying is a highly regulated industry and robust compliance systems and procedures are essential to continuing and growing our business. Success in our industry also depends to a high degree on relationships of trust, the avoidance of real or perceived conflicts and maintaining a reputation for high ethical standards. We are committed to high ethical and compliance standards, with detailed due diligence on any target to ensure its compliance and ethical standards align with the existing member company within the Group.

## **Our Strategy for the Future**

***Continue to leverage the benefits of our diversified service offering and client base and realize scale benefits on behalf of all of our acquired companies.***

Our Government Relations Consulting revenue (including our federal and state lobbying activities) represented approximately 68.5% of our total revenue for 2024. This revenue has proven to be highly resilient to economic and political cycles, through which we have continued to be retained by the most senior of corporate leaders, and serves as a great basis for the growth of other, related offerings. Our strategy is to maintain this core offering, which provides a very high degree of client retention (with an average annual client renewal rate of approximately 78.3% and an average revenue retention of 84.4% between 2020 to 2024) and strategic differentiation, while also growing related high-margin corporate communications and advisory capabilities. We believe the growing scale and reach of our platform creates opportunities for cross-selling services and integrated project management across geographies and service offerings, allowing us to meet a broader range of client needs. To facilitate this end, we intend to work with our employees to enhance collaboration across member companies and to focus on growing our data analysis and use of research tools, including AI, across member companies. We plan to continue to invest in policy advisory and digital capabilities, talent acquisition, employee training and certifications, and to explore potential acquisitions across government affairs, public affairs, PR, media relations, investor relations and crisis management.

We also expect to continue to expand the scope of our services at the state-level. In recent years, we have dramatically expanded our capabilities at state and local government levels through the acquisitions of KP, Lucas, MultiState and TrailRunner, and continue to seek new acquisition targets in key US states and metropolitan areas in order to better serve our clients' needs. We have also extended our reach internationally into the UK and Asia through the acquisitions of Pagefield and TrailRunner and intend to leverage these capabilities, and to explore further strategic acquisitions, to build a truly global platform for our clients.

***Expand our geographic reach and depth and breadth of expertise through strategic acquisitions.***

We believe that the key to our future growth and ongoing success is through the combination of an organic and acquisitive growth strategy. An important component of our strategy is to continue to selectively acquire companies within and adjacent to the strategic communications and public policy markets to complement the services of existing member companies, either as additional stand-alone practices or by integrating new talent and capabilities within existing operations. This will also enable us to further enhance organic growth through a mixture of cross-selling, upselling and securing new clients to whom we can provide an increasingly broad offering.

We have already established a structured process for identifying, negotiating and integrating member companies, and plan to target acquisitions in the following service areas:

- *State-based and international public policy lobbying and advisory services:* We continually evaluate potential acquisition targets in lobbying and additional advisory sectors that are highly ranked within key US state capitals, as well as select international markets that have experienced increased public policy activity by corporates due to the rise of regulations on key industries, increased disclosure requirements for government relations and geographic concentration of key industries.
- *Reputation, financial, crisis and litigation communications:* We are actively identifying potential targets that specialize in C-Suite issues, such as headline-leading moments of reputational crisis, market-defining financial transactions and major litigation. These targets range from small specialist practices to mid-sized operating agencies.
- *Digital and data analytics services and products:* We are actively identifying potential targets that specialize in digital communications and advanced data analytics and expertise to identify, reach and engage with public policy and economic stakeholders and their targeted constituencies. These commercial specializations, some of which are already offered within certain member companies, are rapidly evolving, increasing their effectiveness and raising client's expectations.

Historically, we have completed acquisitions through a combination of newly issued equity and cash, with a greater proportion of equity consideration typically allocated to contingent payments than to upfront payments. The cash component has generally been financed, in part, through borrowings under existing credit facilities. Such transactions are commonly structured to include an initial payment at closing and one or more contingent payments based on the post-closing performance of the acquired business. We expect to finance and structure future acquisitions along similar lines.

***Expand and upskill digital and data capabilities across the Group to increase productivity and out-deliver near-peers and direct competitors***

Digital and data capabilities will continue to transform and disrupt the communications industry at all levels, and we intend to stay ahead of the disruption by investing in ongoing direct capabilities, technology platform partners and enterprise-wide delivery resources. Specifically, in our MultiState brand, we have developed original cloud-based compliance tools, licensed to clients, to aid their filings of federal and state lobbying disclosures and other required documentation. We have also deployed original/custom development to some monitoring, targeting, and stakeholder management solutions. Most of these custom developments are used to build efficiencies in the execution of campaigns and other programs for clients. However, we are increasingly building Group-wide digital resources to best leverage our scale and to effectively respond to our clients' increasing need for integrated communications solutions.

We foresee opportunities to develop new, non-services-based products that would be based on our original intellectual property and ways of working. As technology and media innovation continues to disrupt traditional methods of public policy influence, digital products such as syndicated research reports, risk landscape assessments, subscription-based news and legislative monitoring services, and custom advertising targeting models for influence are all under active consideration.

**Our Markets and Industry**

We operate in the global strategic communications and government relations markets. We believe that strategic communications are critically important for the firms that use these services, with purchase decisions typically made at the C-Suite and board levels.

We note that there is significant demand for senior communications and policy expertise by corporates, including registered federal and state lobbying, international government affairs, media and digital content strategy, research and other data services. As such, corporates frequently encounter a disconnected patchwork of internal communications functions and a disparate range of boutique advisors, independent lobbyists, image makers, media handlers and local campaign operatives across federal, state and local jurisdictions. We believe that this inefficient solution and highly fragmented market persists, even for some of the largest corporations and coalitions, because the major communications agency networks and global management consultancies have, with few exceptions, failed to compete for and retain senior and experienced talent in these disciplines.

Today, we are focused on expanding our services and capabilities through organic growth and acquisitions, and we believe we are well positioned to benefit from the broadening needs of large, global clients who want and need integrated government relations and strategic communications solutions. The rise and evolution of digital and social media platforms have transformed consumer advertising, public relations, stakeholder management and the handling of issues and crises. We expect that corporate clients will continue to demand increased capabilities in the areas of content, media measurement and targeting, reach and data management to guide their advocacy strategies and minimize risks. We believe we are already well positioned in key areas of digital such as content production, influencer targeting and media activation, and will benefit from future acquisitions and Group-wide investments in technology platforms and strategic partnerships in areas such as media buying and advanced data analytics.

The table below illustrates the range of services we can offer our clients to address the full scope of their strategic communications and government relations needs.

**Trusted partner offering comprehensive suite of services across key capability sets**

<b>Lobbying</b> (Direct Advocacy)	<b>Public Affairs</b> (Non-Lobbying Communications)	<b>Strategic Communications</b>
<p><i>Lobbying is any communication with an official in the legislative or executive branch with the purpose of influencing government policy, legislation, programs, etc. on behalf of a client</i></p>	<p><i>Public Affairs are all corporate functions related to the management of an organization's reputation with external audiences including media relations, issues management, stakeholder engagement and community relations</i></p>	<p><i>Strategic Communications are proactive, ongoing and data-driven strategies to inform management teams with real-time decision-making and anticipatory positioning with a deep understanding of the implications across all stakeholders</i></p>
<b>Selected Service Offerings</b>		
<ul style="list-style-type: none"> <li>▲ Policy expertise and analysis</li> <li>▲ Introductions to/for policymakers</li> <li>▲ Education / information sessions for congressional staff</li> </ul>	<ul style="list-style-type: none"> <li>▲ Advice on legislative and political strategy</li> <li>▲ Lobbying Disclosure Act, state-level compliance and reporting</li> </ul>	<ul style="list-style-type: none"> <li>▲ Media outreach</li> <li>▲ Corporate messaging</li> <li>▲ Coalition management</li> <li>▲ Digital campaign execution</li> </ul>
	<ul style="list-style-type: none"> <li>▲ Issues management</li> <li>▲ Communications training</li> <li>▲ Research and analytics</li> <li>▲ Paid media management</li> </ul>	<ul style="list-style-type: none"> <li>▲ Crisis communications</li> <li>▲ Campaign analytics and optimization</li> <li>▲ Strategic Advisory</li> <li>▲ Brand and campaign strategy</li> </ul>
		<ul style="list-style-type: none"> <li>▲ Investor relations</li> <li>▲ Earned and paid media</li> <li>▲ Integrated Marketing Services</li> <li>▲ DEI/ESG (Social Impact)</li> </ul>

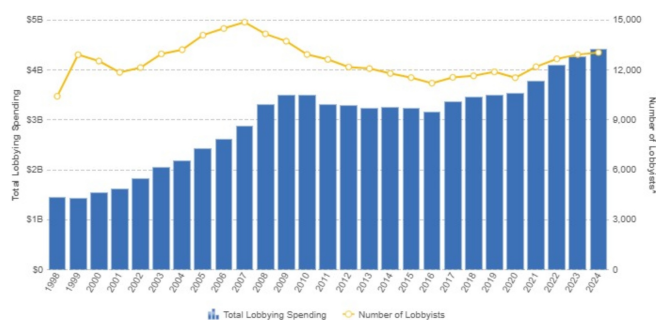
**Government Relations**

Government relations (or “lobbying”) services are aimed at influencing or gathering intelligence on actions, policies, or decisions of government officials and regulators. Lobbying provides access to government regulators and legislators that a single individual or entity may not otherwise achieve. Through grouping individuals’ goals together into a unified aim, companies providing lobbying services represent the interests of multiple organizations. In the US, the Lobbying Disclosure Act (“LDA”) is the primary source of regulation over individuals, corporations, and other entities seeking to influence the direction of policy by the legislative and executive branches of the federal government. The LDA is a disclosure statute that aims to promote transparency regarding the provision of lobbying services by firms and lobbying activities by in-house employees at corporations. State and local lobbying definitions and registration requirements vary from state to state by virtue of state law regulations. (For further information on the LDA and the regulation of the lobbying industry, see “—Government Regulation” below.)

Companies, labor unions, trade associations and other influential organizations spend billions of dollars each year to influence government policy and regulatory agencies at the federal, state and local levels. Individual and collective interest groups retain lobbying firms, others have registered lobbyists working in-house, or often both.

The US federal lobbying market is large and relatively stable, with federal top-line spend accounting for the majority of overall spending, at \$4.4 billion and employing over 12,000 lobbyists. As shown in the graph below, US federal lobbying spending has grown at a CAGR of 4.4% since 1998.

Total Federal Lobbying Spending in the US since 1998



Source: Opensecrets.org.

The industry is also highly fragmented. As shown in the table below, according to OpenSecrets.org, the top 20 lobbying firms in the US in 2024 captured 14.1% of the total federal lobbying market.

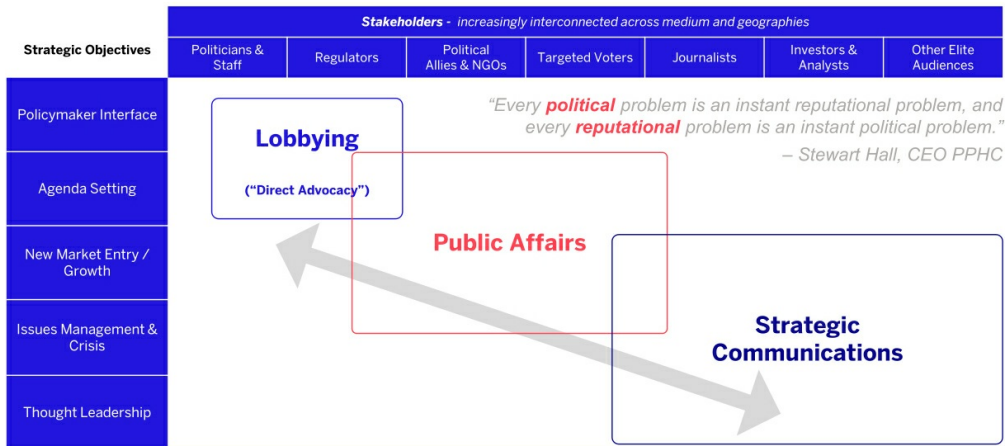
Lobbying Firm	Total Income
Brownstein, Hyatt et al	\$ 67,780,000
Akin, Gump et al	\$ 56,610,000
Holland & Knight	\$ 49,710,000
Cornerstone Government Affairs	\$ 48,210,000
BGR Group	\$ 45,080,000
Invariant LLC	\$ 42,260,000
Thorn Run Partners	\$ 29,770,000
Forbes Tate Partners	\$ 26,300,000
Mehlman Consulting	\$ 26,240,000
Capitol Counsel	\$ 25,830,000
Cassidy & Assoc	\$ 25,810,000
Crossroads Strategies	\$ 25,240,000
Tiber Creek Group	\$ 24,130,000
Squire Patton Boggs	\$ 19,970,000
Avoq LLC	\$ 19,950,000
Ballard Partners	\$ 19,340,000
Van Scoyoc Assoc	\$ 18,600,000
Alpine Group	\$ 18,590,000
Strategic Marketing Innovations	\$ 17,245,000
K&L Gates	\$ 17,205,000

Source: OpenSecrets

As illustrated in the table below, while there is significant overlap between lobbying and public affairs, lobbying represents a more specific focus in terms of the target audience and the stakeholders. Lobbying as an

industry is predominantly focused on communicating with elected, appointed and career officials and their staff members in order to help manage policy outcomes.

### We focus on our clients' toughest challenges and most important audiences



Spending across the lobbying industry has been robust and is led by a number of national interest groups as well as corporations, with total spend in 2024 in the billions of dollars. The top industries by total US federal lobbying spend in 2024 are listed below.

Industry	Total spend (US\$ million)
Pharmaceuticals/Health Products	386.8
Electronics Mfg & Equip	253.3
Insurance	155.2
Oil & Gas	153.2
Securities & Investment	152.9
Real Estate	150.9
Air Transport	135.3
Hospitals/Nursing Homes	134.6
Civil Servants/Public Officials	133.3
Electric Utilities	130.7
Business Associations	130.2
Health Services/HMOs	118.3
Misc Manufacturing & Distributing	117.9
Internet	109.9
Telecom Services	108.1
Education	104.9
Health Professionals	100.0
Automotive	85.5
Chemical & Related Manufacturing	77.1
TV/Movies/Music	74.7

Source: [Opensecrets.org](https://www.opensecrets.org).

The development of the lobbying industry as defined and regulated within the United States remains at an early stage in Europe, with regulation of lobbying activities being less sophisticated and less formalized. The European Parliament, the Council of the European Union and the European Commission have a joint Transparency Register to demonstrate their commitment to being open and transparent. The Transparency Register makes it easier for people to obtain information on interest representation activities taking place in respect of European Union institutions, as well as statistical data on all registered parties. However, this registration process is voluntary and, as yet, not a binding legal requirement.

Currently, there are over 14,000 organizations on the EU Transparency Register, with a reported 162 organizations spending in excess of €1 million on lobbying activities in 2024. The technology sector is the biggest lobby sector in Europe, followed by the banking and finance sector. Matters subject to significant recent lobbying activity in Europe include GDPR and artificial intelligence related legislation and financial regulation. The Organization for Economic Cooperation and Development, with the objective to bolster transparency and integrity, adopted the Principles for Transparency and Integrity in Lobbying in 2010. This is the first international set of guidelines to address transparency and integrity risks related to lobbying practices.

#### ***Strategic Communications and Public Affairs in the United States***

Strategic communications and public affairs services include engaging stakeholders to explain policy, measure and influence perception, or influence sentiment or burnish corporate reputation. These services include intelligence monitoring and gathering, stakeholder engagement, media management, grassroots campaigning and data analytics. Key reasons for customers to outsource public affairs services include a lack of in-house resources, skills or breadth of relationships. Increased use of paid media integrated with traditionally “earned” communications strategies has driven more hybrid capabilities and challenged most clients’ traditional structures.

The value proposition of public affairs services can vary depending on the specialty and expertise of the provider firm:

- traditional PR firms with public affairs capabilities typically work with companies and organizations on the creation of large-scale influence campaigns across multiple media channels, including digital and social media;
- full-service law, consulting, or communications firms with specialized advisory and advocacy offerings typically offer clients assessments of and advisory on policy and political risk for specific issues, industries and political jurisdictions; and
- specialized public affairs firms offering services directed at educating, engaging, and mobilizing broader public audiences typically develop and execute grassroots campaigns directed at constituents and public stakeholders for specific issues or industries.

According to a report by IBISWorld, as measured within the more general US PR market, industry revenue has grown at a CAGR of 5.6 % over the past five years, to reach an estimated \$24.6 billion in 2025.

#### ***Our Operations***

We operate through member companies offering strategic communications, public affairs, crisis management, lobbying. At the parent company level, we maintain a lean corporate team to oversee all finance and accounting, human resources administration, legal, and group-wide strategic planning, including acquisitions, strategic partnerships and technology. Our member companies operate on shared back-office systems for finance and accounting, payroll and benefits, and business insurances. We continue to develop more formal systems and accountabilities for our operating businesses, particularly in areas where operational and financial efficiencies can be created. However, key to the ongoing growth and vitality of all member companies, we grant founder and senior management as much autonomy in day-to-day operations as possible in order to maintain the unique identities, specialties and workplace cultures of our member companies.

## Member Companies and Reporting Segments

We have 11 member companies which are aggregated into three reportable segments—Government Relations Consulting, Public Affairs Consulting and Diversified Services—and our constituent member companies operate within and in some cases across these different segments.

The table below lists our member companies by reporting segment and area of specialization:

Member Companies	Focus Areas	Reporting Segments		
		Government Relations Consulting	Public Affairs Consulting	Diversified Services
Crossroads	Federally focused government affairs firm with long history and strong reputation.	✓		
Forbes Tate	Government affairs focused core with recent expansion into public affairs and broader strategic communications services.	✓	✓	
Seven Letter	Created in 2019 from the merger of the Blue Engine and JDA Frontline brands; digital and analytics focus to PR and public affairs.		✓	
O'Neill	State level expertise focused on New England with complementary Federal relationships.	✓		
Alpine	Federally focused government affairs firm with long history and strong reputation.	✓		
KP	Government affairs and PR firm based in California with state-level expertise.	✓	✓	
MultiState	Full-service state and local government relations company based in Virginia with a presence in all 50 states.	✓		✓
Concordant	Advisory firm that integrates PPHC's policy expertise and communications capabilities.	✓	✓	
Lucas	California-based public affairs firm specializing in high-level reputation, issues management, and digital strategic communications campaigns.		✓	
Pagefield	UK-based corporate communications consultancy specializing in public affairs, PR and digital.	✓	✓	
TrailRunner	Global strategic communications advisory firm headquartered in Dallas-Fort Worth with offices in New York, London, Shanghai, Abu Dhabi and Dubai.		✓	

### *Government Relations Consulting*

Our core Government Relations Consulting segment encompasses all or part of the operations of our member companies other than Seven Letter, Lucas and TrailRunner. Across these member companies, we offer multi-disciplinary federal and state advocacy and advisory services, including direct advocacy services, strategic intelligence and reputation management.

Our federal lobbying firms consistently rank in the top 20 (of more than 2,000 government-registered providers) of lobbying services. Collectively, our member companies are the largest provider of lobbying services at the US federal level. This core service offering continues to provide us with high client retention and a strong nexus for other policy and public affairs, research and state-based services.

### *Public Affairs Consulting*

Through our Public Affairs Consulting segment, we assist our clients with a range of reputation building, issues and crisis management, stakeholder engagement, digital strategy and grassroots needs. We can provide creative/

copy/graphics development, research and polling, full campaign execution and grassroots advocacy at the federal, state and international levels, tailoring solutions to fit our clients' needs. Many of our member companies, including Crossroads, Forbes Tate, and Seven Letter, have individuals with experience in managing lobbying coalitions built around shared client issue interests. Coalitions and common interest organizations are increasingly becoming the vehicle through which US corporations are working together with other stakeholders to advance their advocacy mission. Our reputation as professionals with experience running such complex initiatives has helped grow our strategic communications segment in recent years.

#### ***Diversified Services***

Our Diversified Services segment is currently principally operated through MultiState, and includes legislative tracking as well as lobbying and campaign finance compliance. Through our legislative tracking service, we leverage our policy expertise to monitor bills, regulations and other legal developments for clients, helping keep them apprised of new developments that may affect them. We also offer local government monitoring and alert services in various jurisdictions. Our compliance services include flat fee-based services to provide digital resources and direct support to help clients manage their federal, state, and local registration and reporting responsibilities, campaign finance program and lobbying compliance and a centralized online system that consolidates all requisite forms in one place.

#### **Competition**

Within our core Government Relations Consulting segment, our key competitors vary by market segment. In US federal lobbying, our competitors include large top 20 lobbying firms. (See "*Our Markets and Industry—Lobbying in the United States—US Federal Lobbying*," above.) Some of these firms are housed within large law firms, while others are specialist lobbying firms that may specialize in a particular industry or legislative area such as the budget process. We also face competition from smaller lobbying outfits and practitioners, and, to some extent, from in-house government relations staff.

Our competitors in US state-level lobbying vary to some extent by state. Among state-level lobbyists operating in multiple states, key competitors include Avoq, Ballard and Cornerstone Partners. In California, our key competitors include Actum, and Capital Strategies. In Texas, our main competitors are Hilltop Consulting and McGuire Woods.

Within our Public Affairs Consulting segment, our key competitors in the US include PR firms across sub-sectors including public affairs, general PR services, media relations. These include large diversified firms such as Edelman, Burson and FGS, and smaller, more boutique firms such as Penta, Precision, Firehouse Strategies and Avoq. In the UK, Europe and across other jurisdictions, we face competition both from diversified global players such as Brunswick and Teneo, and from local communications and PR firms such as Lexington and Hanbury in the UK.

The table below illustrates the competitive landscape in which we operate:

**PPHC's expertise spans multiple complementary specialties**

	ALPHA GROUP CRS PROGRESS KP M VONN Pagefield BURNS LPA MultiState	Competitive Landscape			
<b>Government Relations</b>	✓ ✓ ✓ ✓ ✓ ✓ ✓	Akin CASSIDY ASSOCIATES	BALLARD PARTNERS COLNERSTONE	BGR Holland & Knight	Brownstein Invariant
<b>Public Affairs / Strategic Communications</b>	✓ ✓ ✓ ✓ ✓ ✓ ✓	Actum CITY PLAN CONSULTING FINCHOUSE	APCO Bursen F T I CONSULTING	Avoc CAPITOL ADVOCACY NARRATIVE STRATEGIES	BRUNSWICK f/w global Tenco
<b>Diversified Services</b>	✓	FiscalNote STATESIDE	Quorum Local Law Firms		

**Why We Win**

- ▶ **Unmatched policy expertise across U.S. federal and state landscapes**
  - ▶ Deep subject matter expertise across healthcare, energy, financial services, tech and other regulated sectors
- ▶ **Long-standing relationships with key policymakers**
  - ▶ Trusted advisors with decades of bipartisan relationships across Congress, federal agencies and state legislatures
- ▶ **Market leader with proven impact on legislative and regulatory outcomes**
  - ▶ Demonstrated success influencing policy, blocking adverse regulation and advancing client priorities in high-stakes areas that clients want to hire and rehire
- ▶ **Integrated communications and advocacy model**
  - ▶ Combine government relations, strategic communications, grassroots mobilization and digital advocacy for holistic influence strategies
- ▶ **Scalable national footprint**
  - ▶ Ability to activate quickly across geographies and policy areas, with specialists embedded in key regions
- ▶ **Highly attractive place to work for senior talent**
  - ▶ High concentration of seasoned professionals with prior experience in government, campaigns and media

**Customers**

Our client base includes corporate, trade association and non-profit client organizations across a range of industries. Our top 10 clients by revenue in aggregate represented 8.7% of revenue in the year ended December 31, 2024, compared to 10.8% in the year ended December 31, 2023 and 11.0% in the year ended December 31, 2022.

**Employees**

The most valuable asset of a government relations and public affairs business is its employees, and we are highly dependent on the talent, creative abilities and technical skills of our employees and the relationships with clients. We believe that our operating model and the reputation of our Group attract talented personnel. However, we, like all businesses in our industry, are vulnerable to adverse consequences from the loss of key employees to competitors or otherwise.

As of March 31, 2025, we had 409 employees, of whom 362 were full time, representing approximately 365 Full Time Equivalents (FTE's). We had on average 349 FTEs during 2024, with approximately 367 FTE's as of December 31, 2024; we had on average 308 FTE's during 2023, with approximately 333 FTE's as of December 31, 2023; and we had on average 206 FTE's in 2022, with approximately 244 FTE's as of December 31, 2022..

**Intellectual Property**

Our intellectual property consists principally in the trademarks of PPHC and our member companies. We also license various software packages from third parties for use in our business. Most of our trademarks are registered in the US and, in the case of Pagefield, in the UK and the European Union.

Our MultiState member company relies on certain proprietary software platforms it has developed to provide compliance and tracking services. The copyright in the source code for such software is assigned to MultiState in the relevant employees' employment agreements. We are also completing registration for a US trademark relating to these platforms.

## **Governmental Regulation**

### ***US Regulations***

#### *Regulation of US Federal Lobbying*

The LDA imposes disclosure requirements on lobbying activities at the federal level through a registration and reporting regime. A lobbying firm (i.e., an entity that employs at least one “lobbyist” who lobbies for third-party clients) is required to register on behalf of a client under the LDA if one or more of its employees (1) makes at least two “lobbying contacts” with covered federal legislative or executive branch officials, (2) spends more than 20% of his or her time in a calendar quarter on “lobbying activities,” which includes lobbying contacts and preparation and research in support of a lobbying contact and (3) receives or expects to receive \$3,500 for lobbying activities on behalf of the client in the calendar quarter.

Lobbying firms must register separately for each client and must do so within 45 days after the earlier of (1) the date they are retained to make more than one lobbying contact on behalf of the client (subject to meeting the 20 percent of time threshold) or (2) the date a lobbyist in fact makes a second lobbying contact. A lobbying firm is not required to register, however, if its total income for matters relating to lobbying activities on behalf of a particular client does not, and is not expected to, exceed \$3,500 in a quarter. In addition to the initial registration, a lobbying firm must file quarterly activity reports for each particular client and semi-annual contribution reports must be filed by both the lobbying firm and each individual lobbyist.

Each of our member companies that engage in federal lobbying have processes in place that are in line with industry practices to ensure compliance with the LDA and for filing lobbying disclosure reports accurately and timely. Our member companies use a mixture of in-house expertise and outside consultants.

#### *Regulation of US State Lobbying*

While the LDA regulates lobbying of covered federal officials, each state (and some municipalities) has its own lobbying laws that govern lobbying at the state and local level. In general, states require registration and reporting with respect to lobbying of non-federal officials in the state. The nuances of such rules, however, can vary significantly from state to state, including with respect to what constitutes lobbying, which officials are covered, whether registration is required prior to lobbying or once a particular threshold is reached, how frequently reporting is due, and what information must be reported.

Each of our member companies that engage in state lobbying have processes in place utilizing a combination of outside consultants or in-house expertise for state registrations and reporting.

#### *Foreign Agents Registration Act (FARA)*

FARA is a US federal law that requires any “agent of a foreign principal” to register and file certain reports and disclosures with the Attorney General of the United States when they engage in certain political or quasi-political activities for or in the interest of “foreign principals” unless a limited number of exemptions apply. Registration must occur prior to acting as an agent of a foreign principal and within 10 days of having agreed to do so. Supplemental statements must be filed at six-month intervals following initial registration. All relevant books and records must be retained and made available for inspection by the Department of Justice. A “foreign principal” is any foreign government, political entity, non-US citizen located outside of the US, or any entity organized under the laws of or having its principal place of business in a foreign country. An “agent of a foreign principal” is limited to individuals and entities that: (1) act “at the order, request, or under the direction or control, of a foreign principal or of a person any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign principal,” and (2) engage in certain covered political, media, or information activities “within the United States” that are “for or in the interests of” a foreign principal. Among the covered activities is political activity (or lobbying) intended to influence any agency or official of the US government or any section of the public within the US with respect to US domestic or foreign policy or the political or public interests, policies, or relations of a government of a foreign country or a foreign political party. In some cases, registration and reporting under the more onerous FARA statute is not required for those registered under the LDA for engaging in

lobbying activities. This exemption is not available to those who act on behalf of a foreign government or political party.

We have adopted an Anti-Bribery and Anti-Corruption Compliance Policy to, among other things, identify and monitor our business dealings with foreign policy officials or foreign agents. Currently, all members of the Group communicate with us about business dealings and utilize the same outside counsel for filing FARA reports. We use outside legal counsel to train employees as necessary as detailed in our employee manual.

### ***Other Applicable Regulations***

#### *Regulation of Lobbying in the UK*

The Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 (the “UK Act”) imposes mandatory statutory registration and disclosure requirements on lobbying activities through a registration and reporting regime. “Consultant lobbyists” (i.e. any person or organization carrying out the business of “consultant lobbying” as defined by the UK Act) are required to be registered on the Register of Consultant Lobbyists (the “Register”). All “direct communications” to UK government ministers or permanent secretaries relating to legislation or government functions by consultant lobbyists must be registered.

Organizations and individuals are considered to be carrying out the business of consultant lobbying if they fulfill these three tests:

1. They make oral, written or electronic communications personally to a Minister of the Crown or Permanent Secretary (or equivalents specified in the Act), relating to:
  - a) the development, adoption or modification of any proposal of the government to make or amend primary or subordinate legislation
  - b) the development, adoption or modification of any other policy of the government
  - c) the taking of any steps by the government in relation to any contract, agreement, grant, financial assistance, license or authorization; or
  - d) the exercise of any other function of the government.
2. The communication is made in the course of a business and in return for payment on behalf of a client, or payment is received with the expectation that the communication will be made at a later date.
3. They are registered under the Value Added Tax Act 1994.

As at April 24, 2025, Pagefield was listed as registered as a lobbying firm by the Office of the Registrar of Consultant Lobbyists (“ORCL”).

#### *Lobbying: Codes of Conduct in the UK*

In addition to the mandatory statutory regime established by the UK Act (mentioned above), consultant lobbyists may voluntarily undertake to comply with a code of conduct. While consultant lobbyists must notify the Registrar if they have undertaken to comply with a ‘relevant code of conduct’ (UK Act, s. 4(2)(g)), there is no obligation for registered lobbyists to subscribe to any code of conduct.

There are two such voluntary codes in this area:

- (1) The Chartered Institute of Public Relations (“CIPR’s”) Code of Conduct and associated guidance on professional standards in lobbying The CIPR operates the UK Lobbying Register (“UKLR”), for which registration is voluntary. All registrants are bound by the relevant Code of Conduct (which promotes transparency, accuracy and avoiding conflicts of interest (amongst other things)). The CIPR’s Professional Standards Panel is tasked with considering complaints. Sanctions for breach of the Code include letters of advice/warning, suspension or termination of membership. While the panel may also require a CIPR

consultant member to return all or part of the fees charged for work that the panel considers substandard, it cannot award damages (which would need to be pursued through traditional legal avenues).

Pagefield is not currently a member of the UKLR and therefore is not required to adhere to the CIPR's Code of Conduct. However, pending the outcome of the current review of the PRCA Code, Pagefield may decide to become a CIPR corporate member (and sign up to its code) instead. Note that individuals can become individual members of the CIPR, and that certain Pagefield employees have chosen to do so.

- (2) The PRCA's Code of Conduct and Public Affairs Code All PRCA members must agree to abide by the provisions of the PRCA's Code of Conduct. PRCA members are also required to abide by the separate Public Affairs Code when engaging in 'public affairs' (meaning "*activities which are carried out in the course of a business for the purpose of (a) influencing government, (b) or advising others how to influence government*"). The PRCA is tasked with the investigation and determination of complaints against members. The PRCA may impose sanctions (such as censure, a requirement for corrective training, or the suspension/removal of membership).

Pagefield is a member of the PRCA and therefore submits declarations under the Public Affairs Code to the Register on a quarterly basis (on the "Current Register [at] 1st January 2025 - 31st March 2025") and its current membership of the PRCA runs until August 2025.

The PRCA is currently conducting a public review of its Public Affairs Code following wider criticism that the rules are not strong enough. Pagefield supports this review, is contributing to it, and will take a decision on its ongoing membership in light of the outcome of that review

### **Environmental, Social and Governance ("ESG") Matters**

In 2023, using international frameworks, peer disclosures, media review and existing communications, we undertook a materiality assessment to better understand the ESG-related risks and opportunities specific to our industry and corporate structure which, in turn, inform the foundations of our strategy. More specifically, the materiality assessment encompassed key components consisting of an in-depth assessment of our current ESG-related policies and activities, a comprehensive review of our industry peers and their level of ESG disclosure, a systematic ranking of sustainability issues and the formulation of ESG potential focus areas and the development of a potential forward-looking sustainability strategy.

Our ESG Implementation Plan and overall ESG strategy focus on the following areas of development:

- *Engagement*: Foster a professional culture where employees feel they have a part to play in contributing to the Company's ESG strategy.
- *Education*: Provide the necessary tools and resources so that the Company's employees are confident in relaying the Company's ESG strategy internally and externally.
- *Communication*: Provide an open and transparent environment for communicating important developments about our ESG strategy to all stakeholders, internal and external.

Through continued analysis and re-assessment, we intend to remain conscious of how we can positively and proactively contribute, in a meaningful way, toward improving and resolving ESG challenges. We anticipate that we will continue to be informed by the results and recommendations from ongoing analysis and assessments and consider ESG impacts, risks, and opportunities for the Group over the short, medium and long-term.

Using various standards and frameworks, and leveraging outcomes of the ESG materiality assessment, we are in the process of establishing a disclosure tracker and recommended performance measures to be considered for a reporting strategy in the next phase of the Company's ESG Implementation Plan.

The disclosure tracker is intended to support the Company's efforts to collect and report on the necessary data sets to effectively measure the Company's management and progress.

## ITEM 1A. RISK FACTORS

*An investment in the Company's Common Stock involves a high degree of risk. You should consider carefully all the risk factors described below, the matters discussed above under "Cautionary Notice Regarding Forward-Looking Statements" and other information included and incorporated by reference in this registration statement, as well as in other reports and materials that we file with or furnish to the SEC. If any of the risks described below, or elsewhere in this registration statement or our other SEC filings, were to materialize, our business, financial condition, results of operations, cash flows and prospects could be materially adversely affected. In such case, the trading price of the Company's Common Stock could decline, and investors could lose part or all of their investment. Additional risks and uncertainties not currently known to the Company or that it currently deems immaterial may also materially adversely affect our business, financial condition, results of operations, cash flows and prospects.*

### **Risks Relating to Our Business and Industry**

***The success of our business depends on establishing and maintaining client relationships, in particular with our largest clients.***

The success of our business depends on the ability of our individual member companies to establish and maintain strong client relationships. If we fail to build or maintain such relationships, it could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. Although we have longstanding relationships with many of our clients, these clients usually do not enter into long-term contracts beyond 12 months. In addition, while the majority of our client work is retainer-based, approximately 10% of our revenue is typically generated from project-specific services provided to clients under separate contracts. The continued extension of our retainer-based consulting contracts and the continued uptake of project-specific service contracts depend on our ability to deliver top quality services to our clients and build client trust. In our complex and ever-evolving industry, there can be no assurance that we will be able to do so. Should any of our top clients by revenue terminate their relationship with us or significantly reduce their demand for our services, our revenue would be adversely affected. For the financial year ended December 31, 2024, fees attributed to our top ten clients (on a consolidated group basis) amounted to 8.7% of our revenue. While revenue from our top clients will vary from period to period, the revenue derived from a major client that permanently discontinued or significantly reduced its relationship with us could be difficult to replace, which could negatively impact our prospects.

***Our ability to maintain and grow our business will depend on our reputation in the industry, which could be adversely impacted by negative publicity, our association with certain clients, our real or perceived failure to manage conflicts of interest or by adverse litigation or other factors.***

We operate in an industry where integrity, client trust and confidence are paramount and, as a result, maintaining our professional reputation and managing potential conflicts of interest are critical to our business. Our brand and reputations could be negatively impacted by real or perceived conflicts of interest, litigation or claims against us, actual or alleged employee error or misconduct, operational failures, regulatory investigations, press speculation or negative publicity (whether or not based in truth), inadequate or negligent provision of services to clients or disclosure of confidential client information, among other factors. Our brand could also in the future be adversely affected by factors entirely beyond our control, such as the independent actions of our clients or negative media attention paid to our clients for any reason. The potential for negative brand and reputational exposure has increased with the global flow of information via the internet and social media, through which adverse comments, whether substantiated or not, can reach a wide audience very quickly and without appropriate balance or context. Due to the broad scope of our operations and our client base, we regularly address and have, in some instances, had to turn down certain opportunities due to actual and potential conflicts of interest.

We face risks of both (i) client conflicts, which are situations where our services to a particular client conflict, or are perceived to conflict, with the interests of another client, and (ii) own-interest conflicts, which are situations where our duty to act in the best interests of any client in relation to a matter conflicts, or there is a significant risk that it may conflict, with our own interests in relation to that or a related matter. Furthermore, where one or more of our member companies have access to material non-public information that may not be shared with our other

member companies, it can also lead to an actual or perceived own-interest conflict. While we have extensive procedures and controls that are designed to identify and address conflicts of interest, including those designed to prevent the improper sharing of information among our member companies, appropriately identifying and dealing with conflicts of interest (both client conflicts and own-interest conflicts) is complex and difficult, and our reputation could be damaged and the willingness of clients to enter into engagements with us may be affected, if our procedures or controls fail or we otherwise fail, or appears to fail, to identify, disclose and deal appropriately with conflicts of interest. It is also possible that actual, potential or perceived conflicts could give rise to client dissatisfaction, litigation or regulatory enforcement actions, which could lead to significant reputational harm.

The success of our business depends on our reputation for providing high-quality professional services. If any of our member companies are involved in litigation or claims relating to its performance in a particular matter, the reputation of that individual company and the entire Group could be damaged. Our reputation could be damaged through any member company's disclosed involvement either as an advisor or as a litigant, in high profile or unpopular legal proceedings. We, on behalf of PPHC or any of our member companies, may be required to incur legal expenses in defending PPHC or the member companies against any litigation or claims and may also incur significant reputational and financial harm if such litigation or claims are successful or receive negative press coverage. Any such occurrence which damages our reputation could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

***Our success depends largely on the efforts and abilities of key personnel, on our ability to retain their clients and replace their expertise should they depart and generally on our ability to recruit and retain new employees to grow the business.***

Our performance depends, to a significant extent, upon the efforts and abilities of our senior executive officers and revenue-generating employees. At both the Company and member company levels, we depend on the managerial abilities, strategic vision and professional relationships of our senior executive officers, and at the member company level, we also depend on the skill, expertise and client relationships of our key employees who build the client relationships through which we generate our revenues. Each of our businesses is, fundamentally, a "people" business, providing services in respect of which personal relationships are a critical component of successful business development and high client retention rates. The departure of any of our senior executive officers or key revenue-generating employees could have an adverse effect on our business, and no assurance can be given that we would be able to find qualified replacements for any of those individuals if their services were no longer available for any reason. Our success will also depend upon our ability to recruit and retain qualified personnel to fill other positions. Demand for highly qualified and skilled employees is great and, accordingly, no assurance can be given that we will be able to hire or retain sufficient qualified personnel to meet our current and future needs. Carefully managed succession planning is also crucial to ensure our long-term, commercial success, and such succession planning may be difficult to implement.

Our corporate form and compensation structure could prove less attractive to existing or potential employees than the partnership structure more common in our industry, in which partners typically have a direct claim to business profits. In addition, the majority of restricted shares of our Common Stock issued to employees at the time of our admission to trading on AIM and whose vesting was conditional on such employees' continued employment with us have now vested, and all remaining shares that were issued during that time will vest no later than December 16, 2026 which may provide less incentive to those employees to remain with the Company after they are fully vested. Unlike some of our competitors, we also generally do not pay commissions to our employees, but rather incentivize them through cash and stock bonuses as well as equity incentive awards which are largely discretionary and may be less effective at incentivizing our employees. Because some of our acquired member companies have certain acquisition-related bonus arrangements that provide for certain set levels of employee bonus pools, for example, as a percentage of member company profit, the employees of such member companies may in effect have a disproportionate claim on the funds available for Group bonus awards in any given year, which could reduce the bonus amounts paid to other employees which may impact their decision to remain with the Group.

***Our success depends on our ability to continue to develop and execute on our business strategy, in particular through future acquisitions and other strategic transactions.***

A failure to continuously review and adapt our business strategy in light of changes in trading conditions and the markets in which we operate in could have an adverse impact on our revenues, operating costs and competitive advantage. There is a risk that if we fail to prepare or allocate sufficient resources to strategic planning, this may put us at a disadvantage to our competitors.

In particular, our growth to date has been driven in part through the acquisition and successful integration of other businesses in our industry, and we expect to make further business acquisitions and enter into other strategic transactions in the future. There are no guarantees that such transactions will complete or be successful if completed. Strategic transactions such as acquisitions pose a number of specific risks, including the following:

- It may be difficult to identify complementary candidate businesses or to consummate a strategic transaction with terms or in structures that are favorable to us.
- We may lose attractive acquisition opportunities to competing bidders such as private equity firms, that have more financial resources and which are typically able to pay a larger share of the purchase price in cash.
- We may experience difficulty, disruptions or unforeseen expenses when integrating financial, technological and other systems and may struggle to maintain appropriate and effective internal controls.
- Acquisitions expose us to compliance obligations under multiple, conflicting and changing governmental laws and regulations, including employment, tax, privacy and data protection laws and regulations and the applicable laws and regulations of the various jurisdictions in which we operate. In particular, in the case of newly acquired operations outside the US, this may present increased cost and complexity in terms of regulatory compliance and monitoring, taxation and internal controls.
- We may incur significant compensation obligations to newly hired people, including through earnout commitments provided for in the terms of acquisitions of new businesses.
- It may be difficult to effectively regulate and influence the operations of an associated firm, which could result in damage to our reputation.
- We may experience difficulty with payment collections and longer payment cycles.
- Sourcing and integrating strategic transactions can involve significant costs and divert management attention from the existing business.
- It may be difficult to maintain our current client service standards and levels while addressing the demands of identifying, completing and integrating new business acquisitions.
- Because the earnout provisions of our acquisition agreements typically provide for acceleration of earnout awards upon the termination without cause of a seller who stays on post-acquisition as a Group employee, the cost of terminating such employees may increase the cost of any future layoffs or termination for reasons which fall short of cause.
- We may be reluctant to strictly enforce the terms of the purchase agreements for acquired companies against sellers, or to pursue damages for breaches of such agreements, where the sellers continue post-acquisition as Group employees and where such sellers' continued involvement in the business may be crucial to realizing the value of the acquired company.
- Public disclosure of key terms of material acquisitions may reveal aspects of our bargaining position to sellers of future acquisition targets.

Any of the above factors could result in our inability to realize expected strategic benefits, growth, synergies and other financial benefits or, efficiency gains from our future strategic transactions in the timeframe we anticipate or at all, and, as a result, we may not be able to implement our growth strategies successfully. There can also be no assurance that we will be able to generate organic growth through our existing member companies in the future. The occurrence of any of the foregoing could have a material adverse effect on our business, results of operations, financial condition or prospects.

***We may fail to adequately monitor or coordinate the activities of our member companies, which retain a high degree of autonomy under our business model.***

Our strategy involves allowing the companies within the Group to operate relatively autonomously with limited interference in day-to-day operations by the Company. We limit day-to-day operational oversight to ensure good governance and behavioral standards at each of our member companies, but the possibility of one or more companies within the Group operating in a way that damages the reputation of the wider Group cannot be ruled out. Our management monitors each of the companies within the Group, but do not do so on a day-to-day basis, which means that issues that could potentially be detrimental to the Group may not be immediately visible to us. Such issues could therefore escalate before we are able to take remedial action, and this could have a materially adverse impact on the wider Group.

***We may not be able to compete effectively outside the US and in new business lines, and our recently acquired businesses outside the US expose us to regulatory and compliance regimes with which we are relatively unfamiliar.***

We completed our first business acquisition outside of the US in June 2024 with the acquisition of London-based Pagefield, expanding the Group's operations to the UK. In April 2025, we further expanded our territorial reach with the acquisition of TrailRunner, which has offices in London, Shanghai and the United Arab Emirates. In the future, the Group may also make further strategic acquisitions in these or other jurisdictions outside of the US. While our operations outside of the United States are conducted by local professionals deeply familiar with the markets and regulatory landscapes in which they operate and retain their own compliance and internal reporting protocols to help ensure compliance with applicable law, these operations expose us to new markets, regulations and legal systems with which Company management is less familiar and could potentially increase the costs and complexity of regulatory compliance and monitoring and operational and commercial coordination across businesses, and may divert management's time from its domestic operations in future. We may encounter heightened compliance risks in certain jurisdictions, immigration or visa issues with employee relocation or travel internationally, be exposed to regulations in one jurisdiction which may overlap with or be inconsistent with regulations in another jurisdiction or face litigation in distant forums.

In addition, we have in recent years expanded our service offerings to include compliance and legislative tracking and research services through our Diversified Services segment, whose revenue grew substantially in the year ended December 31, 2024. While adjacent to our other client work, these operations involve a different customer base and competitive landscape and there can be no assurance that the Diversified Services segment will continue to grow, synergize with our other business lines or contribute meaningfully to our revenue and profitability in the future.

***We operate in a fragmented and highly competitive industry, and we could lose employees and clients to new or existing competitors or otherwise fail to compete successfully.***

We operate in a highly competitive environment. If we are not successful in anticipating and responding to competitive change, client preferences and needs or industry trends in a timely and cost-effective manner, it could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The public policy, advocacy and strategic communications markets are highly competitive, fragmented and subject to rapid change due to political uncertainty, technological disruption and regulatory changes. For example, while the lobbying business has to date not faced much disruption from digital technologies, the proliferation and use of digital content, communication and channels has significantly transformed the public relations industry and the way that communications and advocacy are delivered. Data analytics knowledge and tools are becoming

increasingly valuable and are more often than not a required hiring criterion for all agency partners. A highly politicized culture, heightened consumer activism, and real-time engagement with stakeholders on social media have increased the costs and technical demands of monitoring, researching and responding to trends in public opinion and formulating effective crisis communication strategies.

Our primary competitors are global, national and regional communications firms, as well as, in some instances, in-house teams of our clients which have continued to add capabilities and expertise internally, that would otherwise be procured via firms like ours. Many of these direct competitors are subsidiaries of larger professional services platforms such as FSG Global, Edelman, and Teneo, who may be better able to invest in growth, respond to changes in the market or to compete for professionals by offering greater remuneration or other more favorable employment terms. Large law firms such as Dentons LLP, Holland & Knight LLP and Akin Gump Strauss Hauer & Feld LLP are also very active in the government relations industry and may, in some instances, have deeper relationships with clients based on existing legal engagements which potentially could advantage their selection in certain lobbying assignments.

In addition to our large competitors described above, a high number of boutique firms or sole practitioners remain active in all segments of our market and may, in some areas, have advantages of greater nimbleness, specific industry or issue expertise, or presence in a particular geography, enabling them to compete more effectively, either on that specialization or pricing. As these small firms seek to gain market share, there could be increased pricing pressure or pressure to increase expenditure to fund our own organic or strategic growth, which could adversely affect the Group's revenue and earnings.

***We may face competition from parties who sell their businesses to us, from professionals in acquired businesses who do not continue working for us post-acquisition or from our own former employees.***

In connection with business acquisitions, we routinely obtain client and employee non-competition and non-solicitation agreements from senior executives. Such agreements are intended to prohibit such individuals from competing with us during the term of their employment and for a fixed period afterwards and from seeking to solicit our employees or clients. The duration of post-employment, non-competition and non-solicitation agreements with the sellers of businesses or assets that we acquire typically continue for a period corresponding to the applicable earnout period, and, if later, one to two years after termination of employment. However, certain activities may be carved out of, or otherwise may not be prohibited by, such arrangements, and certain events may occur to shorten the restrictive period. In addition, there can be no assurance that a party from whom we acquire a business or assets, or an acquired company employee who does not join the Group or leaves the Group's employment, will not compete with us or solicit our employees or clients in the future.

Many of our written employment arrangements with employees, and agreements with non-employee contractors, include restrictive covenants. However, our employees and other contracted professionals typically have close relationships with the clients they serve based on their expertise and bonds of personal trust and confidence. Therefore, the barriers to such professionals pursuing independent business opportunities or joining our competitors are relatively low. Although our clients generally contract for services with the Group, and not with an individual professional, in the event that a professional leaves, such clients may decide that they prefer to continue working with that specific professional rather than with the Group. There can be no assurance that an employee or contractor will not compete with us or solicit our employees or clients in the future.

The law governing non-compete agreements and other forms of restrictive covenants varies from state to state. Some jurisdictions, including California and Washington, DC, as well as the UK, prohibit or severely restrict employers from entering into non-compete agreements with employees or are reluctant to strictly enforce non-compete agreements and restrictive covenants, especially after termination of employment. Additionally, courts in the US and foreign jurisdictions may interpret restrictions on competition narrowly and in favor of employees or sellers. Therefore, certain restrictions on competition or solicitation may be unenforceable, and there can be no assurance that our non-compete agreements or non-solicitation agreements related to employees or otherwise contracted professionals will be enforceable if challenged in certain states or foreign jurisdictions. In such event, we would be unable to prevent former employees or other professionals from competing with us or soliciting our clients, potentially resulting in the loss of some of our consulting agreements and other business.

In the event an employee departs and acts in a way that we believe violates his or her non-competition or non-solicitation agreement, we will consider any legal remedies that against such person on a case-by-case basis. However, we may elect not to pursue legal remedies if we determine that preserving cooperation and a professional relationship with a former employee or his or her clients, or other concerns, outweighs the benefits of any possible legal recourse or the likelihood of success does not justify the costs of pursuing a legal remedy. Such persons, because they have worked for us or a business that we acquire, may be able to compete more effectively with us, or be more successful in soliciting our employees and clients, than unaffiliated third parties.

***Errors in our forecasting and planning, and in setting our financial and operational performance targets, may result in our financial performance being materially worse than expected. The non-GAAP financial metrics that our management uses to measure the success of our business model may not provide the best measurement of our operating performance and may not be comparable to similar metrics used by others in our industry.***

Our financial targets are based on management's estimates and assumptions that are subject to uncertainties and contingencies, and our actual results may be materially lower than our financial performance targets. We have various medium-term revenue growth targets across our member companies, in addition to other financial and operational targets. Although we evaluate our historical performance and strategy in setting these targets, no assurance can be given that we will achieve our targets, which could negatively impact our ability to implement our business strategy. Our strategy, evaluation and financial targets are based on estimates and assumptions that may prove to be inaccurate, including, without limitation, revenue generated by existing or new client engagements, appreciation of our share price and further implementation of connected and managed services, which are all subject to significant business, economic, market and operational uncertainties and contingencies, all of which are to a large extent beyond our control and which may adversely affect our ability to achieve our targets. We may not be able to implement our strategy in a manner that generates revenue growth or achieves our other targets. In addition, we also estimate our effective tax rate and any change or incorrect assumption in the tax treatment of our profits may reduce the level of dividends, if any, received by our shareholders. Accordingly, the actual financial performance we achieve may be materially worse than expected, and we may experience a decline in revenue, which could have a materially adverse effect on our profitability and the price of our Common Stock.

Our management relies on a number of operational key performance indicators and non-GAAP financial metrics that we believe help us to gauge the underlying performance of our business and to manage it effectively, including Adjusted EBITDA, Adjusted Net Income and Adjusted Free Cash Flow. There can be no assurance, however, that these metrics are the most accurate or reliable measurements of our operating performance. For instance, while the financial statement line items excluded from Adjusted Net Income and Adjusted EBITDA calculations reflect expenses that we believe are not core to our operating activities, they do represent economic costs of our business model. In addition, such metrics may not be directly comparable to other, similar metrics used or reported by others in our industry, who may calculate performance metrics differently.

***We are subject to macroeconomic and political risks that could negatively impact the demand for our services.***

As a business, we do not work exclusively for, or favor, any particular political party over another and so have not experienced, nor do we expect to experience, adverse impacts specific to a change of partisan political control of either the legislative or executive branches of the US government. However, there can be no assurance, particularly in a climate of considerable political polarization, that we will not be negatively impacted in the future in our work with certain clients by our work for other clients, our employment of certain individuals or any of our employees' or clients' real or perceived association with a particular group or individual. During US federal election years, demand for our services tends to soften, particularly in the Public Affairs segment, as clients defer spending until after the election cycle. In addition, we are sensitive to adverse economic and market factors. Our customers and the markets in which we operate could be negatively impacted by any of the following factors, which could cause a substantial decline in the demand for our services: declining economic conditions; political unrest; the level and volatility of interest rates; financial market volatility; concerns about inflation; changes in investor sentiment and consumer confidence levels; and legislative and regulatory changes. Uncertain economic prospects or a sustained period of financial instability could have a material adverse effect on our business, results of operations, financial condition and growth prospects.

***We rely on certain third parties and third-party technology to provide our services and successfully implement our business strategy.***

We may rely on third parties to provide certain services to our clients, including advertisement placement and management, video production and website development. Such services are typically sub-contracted by us to third-party providers as part of our wider service offering to our clients. Should a client be dissatisfied with the quality, timing or cost of any such third-party services, this could negatively impact our relationship with such client or our reputation more broadly. There can be no assurance that we will in the future be able to contract with suitable third parties on favorable terms or at all, or, absent such contracting, to provide all such services in-house to the standard, timing and cost expected by our clients, which could negatively impact our business. We also depend on third-party providers of telecommunications, internet, cloud infrastructure and AI services to operate our business efficiently. There can be no assurance that such providers will maintain reliable and efficient networks and quality of service, and the costs for such services may increase. An interruption to any of these services could be detrimental to our future business, operating results and/or profitability.

In certain circumstances, we may be liable for the acts or omissions of relevant partners. If a third-party pursues claims against us as a result of the acts or omissions of such partners, our ability to recover from such parties may be limited. We are also dependent on our ability to pick appropriate technology partners to help deliver outcomes and solutions to clients. A failure to maintain relationships with and identify appropriate technology partners could affect both the potential profitability and saleability of our services offering.

***Disruptions to our information technology systems or cyber-security breaches could negatively impact our business.***

The successful operation of our business depends upon maintaining the integrity of our computer, communication and information technology systems. These systems and operations are vulnerable to damage, breakdown or interruption from events which are beyond our control, such as fire, flood and other natural disasters; power loss or telecommunications or data network failures; improper or negligent operation of our system by employees, or unauthorized physical or electronic access and interruptions to internet system integrity generally as a result of cyber-attacks by computer hackers or viruses or other types of security breaches. Currently, we do not have a unified Group information technology infrastructure, Group-wide support resources. Rather, each of our member companies is responsible for maintaining its own separate information technology infrastructure and forming and implementing its own operating cyber-security policies and procedures. While we believe that this decentralized approach is suitable for our operations, and, by virtue of its structural redundancies, naturally helps to limit the scope of any individual system failure or cyber-security breach, there can be no assurance that one or more of our member companies may not have inadequate information technology or cyber-security infrastructure, support resources or policies, and that a system failure or cyber-security breach affecting any such member company may not materially impact other member companies.

Further, any necessary modifications or upgrades to our information technology systems could result in interruption to our business and its ability to trade and service its customers and clients. This could be harmful to our business, financial condition, results of operations, cash flows and prospects and could deter current or potential customers from using our services. There can be no guarantee that our security measures in relation to our computer, communication and information systems will protect us from all potential breaches of security and any such breach of security could have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

***Failure to comply with data privacy laws and regulations could adversely affect our business and reputation.***

In the ordinary course of our business, we may collect, generate, use, store, process, disclose, transmit, share and transfer personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, and third-party data, through our information technology systems and those of third parties. Our collection and use of personal data may subject us to numerous data privacy and security obligations under various laws, regulations, industry standards, external and internal privacy and security policies and

contractual requirements. In addition, ensuring the privacy and security of our communications and our clients' data is critical to maintaining client relationships and our reputation in our industry.

In the US, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws and consumer protection laws. For example, in recent years, numerous US states-including California, Virginia, Colorado, Connecticut, and Utah-have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data, and provide for statutory fines for noncompliance. Outside the US, an increasing number of laws, regulations, and industry standards apply to data privacy and security. For example, the European Union's General Data Protection Regulation (the "EU GDPR"), the UK's GDPR (the "UK GDPR") and the EU Digital Services Act impose strict requirements for processing personal data. For example, under the EU GDPR and UK GDPR, companies may face private litigation, temporary or definitive bans on data processing and fines of up to €20 million or £17.5 million, respectively, or 4% of annual global revenue, whichever is greater. In addition, the European Economic Area and the UK have significantly restricted the transfer of personal data to the US and other countries whose privacy laws it believes are inadequate. Other jurisdictions may adopt similarly stringent interpretations of their data localization and cross-border data transfer laws.

Obligations related to data privacy and security are quickly changing and may be subject to differing applications and interpretations, which may be inconsistent or conflict among jurisdictions. Complying with these obligations requires significant resources and may in the future necessitate changes to our information systems, policies and practices and to those of any third parties upon which we rely. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with applicable data privacy and security obligations, we could face significant consequences, including, but not limited to government enforcement actions and litigation, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

***We operate in multiple jurisdictions and must comply with numerous applicable laws, including regarding restrictions on and reporting of lobbying activity. Should we fail to comply with such laws, the Company could face civil and criminal liability.***

As a consulting business, we must comply with many laws and regulations which affect how we do business with our clients. Such laws and regulations may potentially impose added costs on our business and any failure to comply with such laws may lead to civil or criminal penalties or termination of our consulting contracts. Some significant laws and regulations that affect our business and our clients include:

- laws restricting lobbying activity and/or requiring registration and reporting obligations with respect to such activity, including the US Lobbying Disclosure Act of 1965 and the Foreign Agents Registration Act of 1938 (each as amended), US state-level regulations and, in the UK, the Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014;
- anti-corruption, sanctions, anti-bribery, anti-money laundering and similar laws, including the US Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act 2010 (each, as amended);
- laws, regulations, and executive orders restricting the disclosure and governing the security of sensitive personal information of our employees;
- US and UK securities laws and related regulations, including the rules applicable to AIM listed companies, the UK Market Abuse Regulation and the QCA Corporate Governance Code, which, among other things, have helped shape our corporate governance policies (See "Item 5: Director and Officers –Corporate Governance Matters" for a discussion of key corporate governance policies);
- laws and regulations concerning taxes, including sales and use taxes, income tax and employment tax, changes to which may materially and adversely affect the results of operations;
- employment laws and regulations, which may classify personnel as an independent contractor or employee;

- environmental, social and governance regulations and disclosure requirements; and
- other federal, state and local laws affecting conduct of business.

For additional information on regulations applicable to the Group, see *Item 1. Business—Government Regulation.* In addition, the US government and state and local government adopt new laws, rules, and regulations from time to time that could have a material impact on our results of operations. Adverse developments in legal or regulatory proceedings on matters relating to, among other things, contract interpretations and statute of limitations, could also result in materially adverse judgments, settlements, withheld payments, penalties, or other unfavorable outcomes.

***We have identified a material weakness in our internal control over financial reporting. If we are unable to implement and maintain the effectiveness of our internal control over financial reporting, our investors may lose confidence in the accuracy and completeness of our financial reports, which could adversely affect our stock price.***

During the preparation of our consolidated financial statements for the year ended December 31, 2024, we determined that certain cash flow items had been incorrectly classified within our consolidated statements of cash flows for the year ended December 31, 2023, specifically the classification of cash flow activities relating to cash payments for post-combination expenses in business combinations.

As a result, we determined that there is a material weakness in our internal controls due to a lack of sufficient controls to ensure certain complex and non-routine transactions are appropriately presented within our financial reporting. This material weakness was due to a lack of appropriate technical review and the absence of a formalized accounting policy specific to such transactions. In response to this material weakness, we have sought to remediate our internal controls over financial reporting, including by creating a new position of vice president of external reporting, to which we have appointed an experienced reporting specialist, engaging third-party advisors to support our internal control testing and remediation efforts and beginning a risk assessment over our internal control environment and reviewing and prioritizing individual control deficiencies for remediation. We are in the process of documenting and executing remediation action items.

Notwithstanding such remediation measures, however, there can be no assurance such remediation will be successful or that we will not fail to identify new material weaknesses or other deficiencies in our internal controls in the future. As a result of such historical or potential future deficiencies or material weaknesses, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our Common Stock could be adversely affected and we could become subject to litigation or investigations, which could require additional financial and management resources.

Pursuant to Section 404 of the Sarbanes-Oxley Act and the related rules adopted by the SEC and the Public Company Accounting Oversight Board (the “PCAOB”), starting with the second annual report that we file with the SEC after effectiveness of this registration statement, our management will be required to report on the effectiveness of our internal control over financial reporting. We may encounter problems or delays in completing the implementation of any changes necessary to our internal control over financial reporting to conclude such controls are effective. If we identify material weaknesses in our internal control over financial reporting, if we are unable to comply with the requirements of Section 404 in a timely manner or assert that our internal control over financial reporting is effective, investor confidence and our stock price could decline.

Additionally, when we cease to be an “emerging growth company” under Section 404 of the Sarbanes-Oxley Act, our independent registered public accounting firm may be required to express an opinion on the effectiveness of our internal controls. If our independent registered public accounting firm is unable to express an unqualified opinion on the effectiveness of our internal controls, we could lose investor confidence in the accuracy and completeness of our financial reports, which could cause the price of our Common Stock to decline.

Matters impacting our internal controls may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of Nasdaq rules. There also could be a negative reaction in the financial markets due to a loss of investor confidence

in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we were to report a material weakness in our internal controls over financial reporting. This could materially adversely affect the price of our Common Stock.

***Servicing our debt requires a significant amount of cash, and our Bank Credit Facilities contain certain restrictive covenants, which could affect our ability to operate our business and implement our business plan.***

Under the Bank Credit Facilities (as defined below), we have three senior secured term loans with an aggregate principal amount of \$32.3 million outstanding as of December 31, 2024, and an additional senior secured facility under which we borrow up to an additional \$3.0 million. We may incur additional debt in the future to finance our strategic acquisitions, fund our operations or for other corporate purposes.

Our ability to make scheduled payments of the principal, to pay interest on and to refinance our indebtedness, including the Bank Credit Facilities, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. A portion of cash flow from operations may be dedicated to the payment of principal and interest on our debt, therefore reducing our ability to use our cash flow to fund our operations, capital expenditures, future business opportunities, acquisitions and other general corporate purposes. Our ability to capitalize on business opportunities and to react to competitive pressures, as compared to our competitors, may be compromised as a result of such debt obligations. Our business may not generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring our debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

In addition, the Bank Credit Facilities contain certain restrictive covenants, including covenants restricting our ability to incur debt, undertake certain investments, pay dividends or make certain other payments, and require us to maintain a certain fixed charge coverage ratio, which could restrict our ability to implement our business strategy in the future. Our obligations under the Bank Credit Facilities are also secured by substantially all of our assets, and were we to default on our obligations under the Bank Credit Facilities, the lender could seek enforcement against any or all of our assets.

For further information on our outstanding debt, please see *“Item 2: Financial Information—Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Contractual Commitments and Contingencies—Financial Obligations.”*

***We may be subject to litigation, including securities litigation, or investigations by governmental or other bodies, and we may incur costs related to complying with investigations or litigation involving our clients and to which we are not a party.***

We may be subject in the future to litigation involving our clients, competitors, employees, directors or third parties and may incur significant legal and other costs in connection with such litigation. As a result of being a US listed company, we may face increased risk of shareholder litigation, including securities law claims. We have historically had to incur costs related to complying with subpoenas for information in connection with litigation or investigations involving clients to which we were not a party. These included costs of counsel to advise on such information requests and on compliance with our confidentiality obligations to the relevant clients, and administrative costs related to complying with such information requests. We may in the future be subject to similar requests in connection with litigation or investigations involving our clients. While we generally seek indemnification for any such costs in our client agreements, not all client agreements include such indemnities, and there can be no assurance that we will be able to collect on such indemnities where they are provided. As a result, we could in the future incur substantial costs in relation to compliance with such information requests.

***We may not obtain insurance coverage to adequately cover all significant risk exposures.***

There can be no assurance that we will acquire or maintain insurance for all risks that may affect our business, that the amount of our insurance coverage will be adequate to cover all claims or liabilities, or that we will not be forced to bear substantial costs resulting from risks and uncertainties of business. It also may not be possible to obtain insurance to protect against all operational risks and liabilities. The failure to obtain adequate insurance coverage on terms favorable to us, or at all, could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

#### **Risks Relating to the Listing and Our Common Stock**

***We may not be able to maintain compliance with Nasdaq's listing standards, which could limit stockholders' ability to trade our Common Stock.***

As a listed company on Nasdaq, we are required to meet certain financial, public float, bid price and liquidity standards on an ongoing basis in order to continue the listing of our Common Stock. If we fail to meet these continued listing requirements, our Common Stock may be subject to delisting, which could materially impact the liquidity of our Common Stock making it more challenging to buy and sell shares of our Common Stock.

***The market price and trading volume of our Common Stock may be volatile and may be affected by economic conditions beyond our control.***

There can be no assurance that the trading market for our Common Stock will be sufficiently liquid to accommodate the sale of your Common Stock, and the trading volume of our Common Stock may fluctuate and cause significant price variations to occur. The market price of our Common Stock may be highly volatile and subject to wide fluctuations. If the market price of our Common Stock declines significantly, you may be unable to resell your Common Stock at a competitive price. We cannot assure you that the market price of our Common Stock will not fluctuate or significantly decline in the future.

Some specific factors that could negatively affect the price of our Common Stock or result in fluctuations in their price and trading volume include:

- actual or expected fluctuations in our prospects or operating results;
- additions or departures of our key personnel;
- changes or proposed changes in laws, regulations or tax policy;
- sales or perceived potential sales of our Common Stock by us or our directors, senior management or stockholders in the future;
- announcements or expectations concerning additional financing efforts or business acquisitions; and
- conditions in the US and global financial markets, or in our industry in particular, or changes in general economic conditions.

***We will incur increased costs and our management will face increased demands as a result of operating as a company listed on Nasdaq and subject to Exchange Act reporting and other obligations.***

As a Nasdaq listed company and SEC registrant, we will be subject to certain reporting and other obligations which may result in significant legal, accounting and other expenses that we did not incur prior to Nasdaq listing. For example, we will need to maintain certain additional internal controls, disclosure controls and procedures and prepare and distribute periodic public reports on Form 8-K. We will be required to ensure that we have the ability to prepare consolidated financial statements that comply with SEC reporting requirements on a timely basis, and will be subject to other reporting and corporate governance requirements, including Nasdaq listing standards and certain provisions of the Sarbanes-Oxley Act and the regulations promulgated thereunder, which impose significant compliance obligations upon us. We will also be required to maintain a majority independent board of directors and

maintain board committees that meet independence and other requirements that may differ from those to which we have been subject historically. There can be no assurance that our board of directors, as thus reconstituted, will continue to be as effective as it has been historically or that we will not experience challenges in the transition to Nasdaq compliant corporate governance arrangements.

As a public company, we will be required to commit significant resources and management time and attention to these requirements, which will cause us to incur significant costs and which may place a strain on our systems and resources. As a result, our management's attention might be diverted from other business concerns. In addition, we might not be successful in implementing these requirements. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act, the Dodd-Frank Act and related regulations implemented by the SEC, and the stock exchanges are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. We are currently evaluating and monitoring developments with respect to new and proposed rules and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Being a Nasdaq listed company subject to these new rules and regulations may make it more expensive for us to obtain director and officer liability insurance. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and attract and retain qualified executive officers.

We may face increased risks of shareholder activism, particularly if our US and institutional investor base grows as a result of our US listing, which could divert management attention and impact our ability to execute on our current business plan.

The increased costs associated with operating as a Nasdaq listed company may decrease our net income and may cause us to reduce costs in other areas of our business or increase the prices of our services to offset the effect of such increased costs. Additionally, if these requirements divert our management's attention from other business concerns, they could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

***You may be diluted by future issuances of preferred stock or additional Common Stock in connection with our employee incentive plans, acquisitions or otherwise; future sales of such shares in the public market, or the expectations that such sales may occur, could lower our stock price.***

We may from time to time issue new Common Stock, preferred stock or debt instruments or other securities convertible into Common Stock under employee incentive plans, in connection with investments or business acquisitions or to raise funds. Our certificate of incorporation authorizes us to issue one or more classes or series of preferred stock having such designations, preferences, limitations and relative rights, including preferences over Common Stock respecting dividends and distributions, as our board of directors may determine (subject, for so long as our Common Stock is admitted for trading on AIM, to approval at a general meeting by shareholders at which a quorum is present by 75% of the votes cast on the matter). The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our Common Stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might grant to holders of preferred stock could affect the residual value of our Common Stock.

The Company cannot predict the size or price of future issuances of Common Stock or the size or terms of future issuances of preferred stock or debt instruments or other securities convertible into Common Stock, or the effect, if any, that future issuances and sales of the Company's securities will have on the market price of the Common Stock. Sales or issuances of substantial numbers of shares of Common Stock or preferred stock, or the

perception that such sales or issuances could occur, may adversely affect the prevailing market price of the Common Stock. With any additional sale or issuance of Common Stock or preferred stock, or securities convertible into Common Stock, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings per share.

***Dividends may not be declared or paid to holders of our Common Stock.***

The declaration and payment of dividends by us will be at the sole discretion of our board of directors. While historically, we have issued dividends from the Group's adjusted net profit after tax, our dividend policy may change and there can be no assurance that any dividends will be declared or paid.

Our dividend policy is within the discretion of our board of directors and will depend upon then-existing conditions, including our results of operations, financial condition, capital requirements, investment opportunities, statutory or contractual restrictions on our ability to pay dividends and other factors our board of directors may deem relevant. In addition, the Bank Credit Facilities place, and future debt agreements may place, certain restrictions on our ability to pay cash dividends on our Common Stock. Should our board of directors decide not to declare a dividend, your only opportunity to achieve a return on your investment may be if the price of our Common Stock appreciates, which cannot be ensured.

***We are an emerging growth company and a smaller reporting company, and the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our Common Stock less attractive to investors.***

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of certain exemptions and relief from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including (i) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, (ii) having the option of delaying the adoption of certain new or revised financial accounting standards, (iii) reduced disclosure obligations regarding executive compensation in this prospectus and our periodic reports and proxy statements and (iv) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. We may take advantage of these exemptions until such time that we are no longer an emerging growth company. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year in which we have total annual gross revenue of at least \$1.235 billion, (ii) the last day of the fiscal year in which we are deemed to be a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, (iii) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period or (iv) the last day of the fiscal year after the fifth anniversary of the date of the first sale of common equity securities under an effective registration statement as an emerging growth company.

We are also a "smaller reporting company" as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies until the fiscal year following the determination that our voting and non-voting Common Stock held by non-affiliates is \$250 million or more measured on the last business day of our second fiscal quarter, or our annual revenues are less than \$100 million during the most recently completed fiscal year and our voting and non-voting Common Stock held by non-affiliates is \$700 million or more measured on the last business day of our second fiscal quarter.

It is possible that some investors will find our Common Stock less attractive as a result of the foregoing, which may result in a less active trading market for our Common Stock and higher volatility in our stock price.

***Our employees, management and principal stockholders own the majority of our stock and will be able to exert control over matters subject to stockholder approval.***

As of May 20, 2025, our executive officers and directors and their respective affiliates beneficially owned, in the aggregate, 18.5% of our outstanding Common Stock, and our employees beneficially owned a further 57.6% of our Common Stock. To the extent that the same groups continue to own a significant percentage of our Common Stock, these stockholders, collectively, will be able to exert control over the management and affairs of our company and most matters requiring stockholder approval, including the election of directors, amendments of our organizational documents and approval of any merger, sale of substantially all our assets or other significant corporate transactions. Such shareholders, particularly those who are directors, officers or employees of the Company, may have interests that differ from the interests of other shareholders. This concentration of ownership may also prevent or discourage unsolicited acquisition proposals or offers for our Common Stock, or nomination of potential directors, that you or other stockholders may feel are in your or their best interest as one of our stockholders.

***Provisions of our certificate of incorporation and bylaws may delay or prevent a takeover that may not be in the best interests of our stockholders.***

Provisions of our certificate of incorporation and bylaws may be deemed to have anti-takeover effects which may delay, defer or prevent a takeover attempt (which include, among others, provisions for (i) a classified board of directors serving staggered three-year terms, (ii) who can fill vacancies of our board of directors, (iii) when and by whom special meetings of our stockholders may be called and (iv) the preemptive rights of our shareholders).

In addition, our amended and restated certificate of incorporation authorize the issuance of shares of preferred stock which will have such rights and preferences determined from time to time by our board of directors. Our board of directors may, without stockholder approval (subject, for so long as our Common Stock is admitted to trading on AIM, to approval at a general meeting by shareholders at which a quorum is present by 75% of the votes cast on the matter and except as may be required under Nasdaq rules), issue additional preferred shares with dividends, liquidation, conversion, voting or other rights that could adversely affect the voting power or other rights of the holders of our Common Stock.

***Our certificate of incorporation provides for an exclusive forum in the Court of Chancery of the State of Delaware for certain disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.***

Our certificate of incorporation provides that, unless otherwise consented to by us, the Court of Chancery of the State of Delaware, shall be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Company; (b) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Shareholders; (c) any action asserting a claim against the Company arising pursuant to any provision of the Delaware Corporation Law, our certificate of incorporation or our bylaws; (d) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or our bylaws; or (e) any action asserting a claim against the Company governed by the internal affairs doctrine. Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the US Securities Act, or under Nasdaq or AIM rules.

The foregoing provision would not preclude stockholders that assert claims under the Exchange Act from bringing such claims in federal court, to the extent that the Exchange Act confers exclusive federal jurisdiction over such claims, subject to applicable law. We believe our choice of forum provision may benefit us by providing increased consistency in the application of Delaware law by chancellors and judges particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. However, our choice of forum provision may impose additional litigation costs on stockholders in pursuing claims and may limit a stockholder's ability to bring a claim in a judicial forum that it believes to be favorable for disputes with us or any of our directors, officers or other employees, which may discourage lawsuits with respect to such claims. In addition, while the Delaware courts have

determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the choice of forum provision, and there can be no assurance that such provision will be enforced by a court in those other jurisdictions. If a court were to find the choice of forum provision in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.

***Sales by existing shareholders can reduce share prices.***

Sales of a substantial number of our Common Stock in the public market could occur at any time. Such sales, or any market perception that substantial holders of our Common Stock intend to sell our Common Stock, could reduce the market price of our Common Stock. If this occurs and continues, it could impair the Company's ability to raise additional capital through the sale of securities.

***The Company is a holding company and, as such, it depends on its subsidiaries for cash to fund its operations and expenses.***

The Company is a holding company and essentially all of its assets are its equity ownership interests in its subsidiaries. As a result, investors in the Company are subject to the risks attributable to its subsidiaries. As a holding company, the Company conducts all of its business through its subsidiaries. Therefore, our ability to fund and conduct our business, service our debt and pay dividends, if any, in the future will principally depend on the ability of our subsidiaries to generate sufficient cash flow to make upstream cash distributions to us. Our subsidiaries are separate legal entities, and although they are wholly-owned and controlled by us, they have no obligation to make any funds available to us, whether in the form of loans, dividends or otherwise. The ability of these entities to pay dividends and other distributions will depend on their operating results and will be subject to applicable laws and regulations which require that solvency and capital standards be maintained by such companies and contractual restrictions contained in the instruments governing any debt obligations. In the event of a bankruptcy, liquidation or reorganization of any of the Company's material subsidiaries, holders of indebtedness and trade creditors may be entitled to payment of their claims from the assets of those subsidiaries before the Company.

***Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the price and trading volume of our Common Stock.***

Securities research analysts may establish and publish their own periodic projections for our Company. These projections may vary widely and may not accurately predict the results we actually achieve. The price of our Common Stock may decline if our actual results do not match the projections of these securities research analysts. Similarly, if one or more of the analysts who write reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price could decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, our stock price or trading volume could decline.

## ITEM 2. FINANCIAL INFORMATION

### Management's Discussion and Analysis of Financial Condition and Results of Operations

*The following, Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), summarizes the significant factors affecting the operating results, financial condition and liquidity, and cash flows of the Group as of and for the years ended December 31, 2024, and 2023. This MD&A should be read in conjunction with our consolidated financial statements, the accompanying notes to the consolidated financial statements and the other financial information included in this registration statement. Except for historical information, the matters discussed in this MD&A contain various forward-looking statements that involve risks and uncertainties and are based upon judgments concerning various factors beyond our control. Our actual results could differ materially from those anticipated in these forward-looking statements. All forward-looking statements speak only as of the date on which they are made. We undertake no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they are made.*

#### Overview

Through our wholly-owned subsidiaries, we operate a portfolio of firms that offer global strategic communications services, including government relations, public affairs and public relations. Engaged by over 1,300 clients, including companies, trade associations and non-governmental organizations, we are active in all major sectors of the economy, including healthcare and pharmaceuticals, financial services, energy, technology, telecoms and transportation. Our services help clients to enhance and defend their reputations, advance policy goals, manage regulatory risk and engage with federal and state-level policy makers, stakeholders, media and the public.

Across our member companies, our business comprises three reporting segments—Government Relations Consulting, Public Affairs Consulting and Diversified Services—corresponding to the different types of strategic communications services our member companies provide to our clients:

- *Government Relations Consulting* services include advocacy, strategic guidance, political intelligence and issue monitoring at the US federal and state levels and internationally through our offices in London, Shanghai, Abu Dhabi and Dubai;
- *Public Affairs Consulting* services include crisis communications, community relations, social and digital media, public opinion research, branding and messaging, relationship marketing and litigation support; and
- *Diversified Services* include compliance services and legislative tracking.

As of December 31, 2024, we had approximately 1,200 active client relationships, of which 503 contributed \$100,000 or more in annual revenue, with no single client representing more than 2.0% of overall revenues. As of May 20, 2025, we had over 1,300 active client relationships, reflecting organic growth and the completion of the recent TrailRunner acquisition. Our client portfolio includes clients in the healthcare and pharmaceuticals, defense and aerospace, agriculture, financial services, energy, technology, telecom and transportation sectors. We also have a track record of high client retention, with an average annual renewal rate of approximately 78.3% and an average revenue retention of 84.4% between 2020 to 2024.

From January 1, 2018 to December 31, 2024, we achieved revenue growth of 28.1% CAGR, with organic revenue growth of 15.6% CAGR over the same period.

#### Recent Developments

We announced the earnings-accretive acquisition of Texas-based TrailRunner for initial consideration of \$33.0 million in January 2025, comprising \$28.1 million in cash and 2,966,138 shares of our Common Stock. Closing occurred on April 1, 2025. TrailRunner operates with a global team across offices in Texas, New York, Nashville, and Northern California, London, Shanghai, Abu Dhabi, and Dubai. There are additional contingent payments that the TrailRunner Seller can earn in the future depending on certain operating results that are achieved. The total additional amount of consideration that the Group could be required to pay to the TrailRunner Seller is \$37.0 million.

## Comparison of the Fiscal Years Ended December 31, 2024 and December 31, 2023

### Results of Operations for the Fiscal Year Ended December 31, 2024, compared to the Fiscal Year Ended December 31, 2023

The table<sup>(1)</sup> below presents the Group's audited results of operations for the years ended December 31, 2024 and 2023:

	For the year ended	
	2024	2023
	(US\$ thousands)	
Revenue	149,563	134,986
Operating expenses:		
Salaries and other personnel costs	126,640	111,567
Office and other direct costs	5,651	5,064
Cost of services	132,291	116,631
General and administrative	26,837	23,443
Mergers and acquisitions expense	2,434	308
Depreciation and amortization expense	4,245	3,529
Change in fair value of contingent consideration	1,910	1,711
Total operating expenses	167,716	145,622
<b>Loss from operations</b>	<b>(18,152)</b>	<b>(10,636)</b>
Gain on bargain purchase	2,464	4,836
Interest income	177	18
Interest expense	(1,900)	(959)
<b>Net loss before income taxes</b>	<b>(17,412)</b>	<b>(6,741)</b>
Income tax expense	6,545	7,503
<b>Net loss</b>	<b>(23,957)</b>	<b>(14,244)</b>

(1) Table may not sum due to immaterial rounding differences.

#### Revenue

We generate substantially all of our revenue by providing consulting services related to Government Relations Consulting, Public Affairs Consulting and Diversified Services, primarily through fixed-fee arrangements whereby the client pays a fixed monthly retainer or subscription amount in exchange for a predetermined set of professional services. The Group recognizes retainer revenue over time by measuring the progress toward complete satisfaction of the performance obligation. We also generate a smaller portion of our revenue from project-specific revenues which was 6.5% and 5.7% in the years ending December 31, 2024 and 2023, respectively.

The components of fluctuations in revenue by reportable segment for the year ended December 31, 2024, compared to the year ended December 31, 2023, were as follows:

	December 31, 2023	2024 Revenue from Acquisitions	2024 Organic revenue	December 31, 2024	Organic Revenue Growth <sup>(1)</sup>	Total Growth
	(US\$ thousands)	(US\$ thousands)	(US\$ thousands)	(US\$ thousands)		
Government Relations Consulting	95,477	3,474	98,990	102,464	3.7 %	7.3 %
Public Affairs Consulting	32,257	5,768	30,637	36,405	(5.0) %	12.9 %
Diversified Services	7,253	1,738	8,956	10,694	23.5 %	47.4 %
<b>Total</b>	<b>134,986</b>	<b>10,980</b>	<b>138,583</b>	<b>149,563</b>	<b>2.7 %</b>	<b>10.8 %</b>

(1) Refer to the Non-GAAP Financial Measures section below for the Group's definition of Organic Revenue Growth.

Our total revenue increased 10.8%, to \$149.6 million for the year ended December 31, 2024, compared to \$135.0 million for the year ended December 31, 2023, with Organic Revenue Growth contributing 2.7% of growth, reflecting sustained client retention (with average renewal rates across all our business lines of approximately 78.3% in 2024) and increases in key client spend, with the number of clients spending more than \$100,000 in the year increasing by 15.0% over 2023, to 503 clients, and the number of clients spending more than \$250,000 increasing by 16.0% over 2023, to 137 clients. The balance of revenue growth was driven by accretive acquisitions of Lucas, Pagefield and MultiState, whose revenues were consolidated in our 2024 results but not (or, in the case of MultiState, not for the full year) in our 2023 results.

Our Government Relations Consulting segment's revenue increased by 7.3%, to \$102.5 million in the year ended December 31, 2024, compared to \$95.5 million in the year ended December 31, 2023, reflecting Organic Revenue Growth of 3.7%, driven by robust demand for regulatory and legislative support. Our lobbying firms Forbes Tate, Crossroads and Alpine each maintained their top 20 position in the Federal lobbyist rankings, as reflected in public disclosures mandated by US federal law. The remaining growth was driven by the acquisitions of Pagefield and MultiState.

Our Public Affairs Consulting segment's revenue increased by 12.9%, to \$36.4 million in the year ended December 31, 2024, compared to \$32.3 million in the year ended December 31, 2023. Organically, revenue declined by 5.0%, a consequence of pending elections impacting client project spend in the first half of 2024. In the second half of 2024, Organic Revenue Growth in the segment returned at 3.9% as project work rebounded with clients responding to clearer political direction. The remaining growth was driven by the acquisitions of Lucas and Pagefield.

Our Diversified Services segment's revenue grew strongly (albeit from a lower base), by 47.4%, to \$10.7 million in the year ended December 31, 2024, compared to \$7.3 million in the year ended December 31, 2023, reflecting Organic Revenue Growth of 23.5%, driven by increasing demand for specialized services, including compliance, grant writing, and research-driven policy insights. This growth also reflects the results from the acquisition of MultiState.

In the year ended December 31, 2024, we generated \$4.0 million, or 2.7% of our revenue, outside of the US, reflecting the acquisition of Pagefield, based in the UK in June 2024. In 2024, 97.3% of our revenue was denominated in US dollars, compared to 100.0% in 2023. With non-US dollar denominated operations, in future periods, we intend to report growth numbers on a constant currency basis in addition to the reported basis. For 2024, the difference between "constant currency" and actually reported was negligible and therefore not explicitly illustrated.

### Cost of Services

Salaries and other personnel cost represents our largest component of cost of services. Its principal components include employee salaries, share-based accounting charges, long term incentive program charges, post-combination compensation expense, benefits and bonuses of employees from operations that deliver services to our clients. Employee bonus amounts represent annual bonus payments paid as compensation for services to senior executives and employees based on the Group's performance, the relative performance of the member company and the individual. Salaries and other personnel cost increased by 13.5%, or \$15.0 million, in the year ended December 31, 2024, to \$126.6 million, compared to \$111.6 million for the year ended December 31, 2023, driven by targeted hiring in tandem with revenue growth across all three segments in addition to the acquisitions of MultiState, Pagefield and Lucas. The personnel costs for the Government Relations Consulting segment increased by \$5.4 million, of which \$1.7 million was the result of the acquisitions of Pagefield and Multistate and \$3.7 million arose from increases in line with revenue as well as execution of a re-investment initiative at Alpine. Furthermore, the Public Affairs Consulting segment incurred an increase of \$3.4 million in personnel costs which primarily reflects the acquisition of Lucas and Pagefield as well as the set-up of Concordant. Additionally, there was a \$5.3 million increase in post-combination compensation expense relating to the acquisitions of Lucas, Pagefield and MultiState.

Office and other direct costs represent our other component of cost of services. Its principal component includes operating lease expense for premises leased by the Group's member companies. Office and other direct costs increased by 11.6% in the year ended December 31, 2024, to \$5.7 million, compared to \$5.1 million for the year ended December 31, 2023, reflecting the addition of new office spaces associated with the acquisitions of Lucas, Pagefield and MultiState.

The table below presents the components of cost of services for the years ended December 31, 2024 and 2023:

	For the year ended	
	2024	2023
	(US\$ thousands)	
<b>Salaries and other personnel costs</b>		
Personnel cost	\$ 85,078	\$ 76,850
Long-term incentive program charges	3,328	1,270
Share-based accounting charge	26,636	27,152
Post-combination compensation charge	11,599	6,295
	<u>126,640</u>	<u>111,567</u>
<b>Office and other direct costs</b>		
Amortization developed software	563	469
Occupancy expense	5,088	4,595
	<u>5,651</u>	<u>5,064</u>
<b>Cost of services</b>	<u>\$ 132,291</u>	<u>\$ 116,631</u>

### General and administrative expenses

General and administrative expenses' principal components comprise general and administrative expenses, employee salaries, share-based accounting charges, long term incentive program charges, post-combination compensation expense, benefits and bonuses of employees employed in the Group's corporate function. General and administrative expenses increased by 14.5% in the year ended December 31, 2024, to \$26.8 million, compared to \$23.4 million for the year ended December 31, 2023, reflecting investments in the Group's holding company, an increase in costs of advisors and auditors, and additional costs associated with the acquisitions of Lucas, Pagefield and MultiState. Additionally, the share-based accounting charge increased by \$1.4 million in 2024 due the accelerated vesting of retained 2021 pre-IPO shares for a single executive upon retirement from the corporate function of the Group.

The table below presents the components of general and administrative expenses for the years ended December 31, 2024 and 2023:

	For the year ended	
	2024	2023
	(US\$ thousands)	
Personnel cost	\$ 7,122	\$ 7,111
General and administrative expenses	13,227	10,621
Occupancy expense	486	432
Long term incentive program charges	834	1,526
Share-based accounting charge	5,168	3,752
General and administrative	<u>\$ 26,837</u>	<u>\$ 23,443</u>

*Mergers and acquisitions expense*

The principal components of mergers and acquisitions expense include legal, accounting and other advisory expenses, as well as UK stamp duty and debt origination costs. Mergers and acquisitions expense increased by 689.8% in the year ended December 31, 2024, to \$2.4 million, compared to \$0.3 million for the year ended December 31, 2023, reflecting the costs associated with the acquisitions of Lucas and Pagefield, the latter representing the Group's first non-US acquisition.

*Depreciation and amortization expense*

The principal components of depreciation and amortization expense include the amortization of intangible assets relating to customer relationships and non-compete contracts. Depreciation and amortization expense increased by 20.3% in the year ended December 31, 2024, to \$4.2 million, compared to \$3.5 million for the year ended December 31, 2023, reflecting additional costs associated with the acquisitions of Lucas, Pagefield and MultiState. Depreciation and amortization expense includes depreciation of, \$0.1 million reflected depreciation expense in the year ended December 31, 2024, compared to \$0.1 million in the year ended December 31, 2023.

*Change in fair value of contingent consideration*

Change in fair value of contingent consideration represents changes in the fair value of contingent consideration obligations relating to historical acquisitions. The contingent consideration liability is settled through a combination of cash and shares of our Common Stock based on each respective purchase agreement, and the amount ultimately paid is dependent on the achievement of certain operating results. Change in fair value of contingent consideration increased by 11.6% in the year ended December 31, 2024, to \$1.9 million, compared to \$1.7 million for the year ended December 31, 2023, reflecting additional contingent consideration associated with the acquisitions of Lucas and Pagefield, as well as the payout of contingent consideration to MultiState.

*Gain on bargain purchase*

Gain on bargain purchase comprises the difference between the fair value of the net identifiable assets acquired and the purchase price paid, where the purchase price is lower than the fair value of the acquired assets. Gain on bargain purchase decreased by 49.0% in the year ended December 31, 2024, to \$2.5 million, compared to \$4.8 million for the year ended December 31, 2023, reflecting the acquisition of Lucas.

*Interest income*

Interest income represents the interest income accrued principally on interest bearing accounts and financial instruments. Interest income increased by 883.2% in the year ended December 31, 2024, to \$0.2 million, compared to \$0.02 million for the year ended December 31, 2023, reflecting the interest on loans made to certain Alpine employees.

### *Interest expense*

Interest expense represents the interest expense incurred under our Bank Credit Facilities (as defined below), comprising cash interest amounts and debt discount amortization amounts. For a description of the Bank Credit Facilities, see “*Liquidity and Capital Resources—Financial Obligations*,” below and Note 5 to our consolidated financial statements. Interest expense increased by 98.2% in the year ended December 31, 2024, to \$1.9 million, compared to \$1.0 million for the year ended December 31, 2023, reflecting interest on increased principal amounts, associated with the drawdowns in 2024.

### **Non-GAAP Financial Measures**

Our management uses a variety of financial and operating metrics to analyze our performance. These metrics are significant factors in assessing our operating results and profitability. These financial and operating metrics include Adjusted EBITDA, Adjusted EBITDA margin, Adjusted net income, Adjusted EPS basic, Adjusted EPS diluted, Organic Revenue Growth and Adjusted Free Cash Flow, which are financial measures not recognized under US GAAP. These non-GAAP financial measures are used by management to measure our operating performance, but may not be directly comparable to similar measures, such as EBITDA or Adjusted EBITDA, relied on or reported by other companies, including other companies in our industry. We believe excluding items that neither relate to the ordinary course of business nor reflect our underlying business operating performance, such as equity-based compensation, the amortization of acquired intangible assets, acquisition-related post-combination compensation and contingent consideration, gains on bargain purchase price, interest and tax enables meaningful period-to-period comparisons of our operating performance. We also use these non-GAAP financial measures when publicly providing our business outlook, for internal management purposes, and as a basis for evaluating potential acquisitions and dispositions.

We believe that the exclusion of equity-based compensation expense such as stock options, restricted stock awards, restricted stock units and equity-based compensation related to retained pre-IPO shares granted in relation to our listing on the London Stock Exchange, is appropriate because it eliminates the impact of non-cash expenses for equity-based compensation costs that are based upon valuation methodologies and assumptions that can vary significantly over time due to factors that are (i) unrelated to our core operating performance, and (ii) can be outside of our control. Although we exclude equity-based compensation expenses from our non-GAAP measures, equity compensation has been, and will continue to be, an important part of our future compensation strategy and a significant component of our future expenses that may increase in future periods. Additionally, we believe the exclusion of compensation expense related to share appreciation rights, which are cash settled, is unrelated to our core operating performance in addition to the fact that share appreciation rights are no longer part of the Group’s compensation plans going forward.

We define Adjusted EBITDA, which is a non-GAAP financial measure, as consolidated net loss before depreciation, interest income, interest expense, income tax expense, long-term incentive program charges, share-based accounting charges, post-combination compensation charges, change in fair value of contingent consideration, gain on bargain purchase price net of deferred taxes and amortization of intangible assets. We define Adjusted EBITDA margin, which is a non-GAAP financial measure, as Adjusted EBITDA as a percentage of total revenue. We believe that these non-GAAP financial measures, when considered together with our GAAP financial results and GAAP financial measures, provide management and investors with a more complete understanding of our operating results, including underlying trends. While our Adjusted EBITDA and Adjusted EBITDA margin may not be directly comparable to the EBITDA or other measures used by others, we believe it helps provide a clearer picture of the underlying performance of the business by removing certain expenses tied to specific historical acquisitions, including post-combination compensation charges, as well as non-cash charges such as depreciation and amortization of intangibles.

We use Adjusted Net Income for the purpose of calculating Adjusted Earnings per Share (“Adjusted EPS, basic”) and Adjusted Earnings per Diluted Share (“Adjusted EPS, diluted”). Management uses Adjusted EPS basic and Adjusted EPS diluted to assess total Group operating performance on a consistent basis. We define Adjusted Net Income as net income excluding the impact of long-term incentive program charges, share-based accounting charges, post-combination compensation charges, change in fair value of contingent consideration, gain on bargain

purchase price net of deferred taxes and amortization of intangible assets. We believe that these non-GAAP financial measures, when considered together with our GAAP financial results and GAAP financial measures, provide management and investors with a clearer picture of our underlying business operating results.

We define Adjusted Free Cash Flow, which is a non-GAAP financial measure, as net cash provided by operating activities less cash payments for purchases of property and equipment and less acquisition related payouts classified in operating cash flows specifically changes in prepaid post combination payments, changes in other liability (liability classified earnout obligations) and changes in contingent consideration. We believe this non-GAAP financial measure, when considered together with our GAAP financial results, provides management and investors with useful supplemental information on the Group's ability to generate cash for ongoing business operations and capital deployment.

We define Net Cash (Debt) as total unrestricted cash and cash equivalents less the total principal amount of debt outstanding. The total principal amount of debt outstanding is comprised of the long-term debt and current maturities of long-term debt as presented in our consolidated balance sheets adding back any debt issuance costs. We believe that the presentation of Net Cash (Debt) provides useful information to investors because our management reviews Net Cash (Debt) as part of our oversight of overall liquidity, financial flexibility and leverage.

We define Organic Revenue Growth as the year-over-year revenue growth excluding revenues from acquired businesses for the first twelve months following the date of acquisition. For purposes of this calculation, the revenue of an acquired business is classified as acquired revenue and excluded from Organic Revenue Growth until the thirteenth month following the acquisition date. Beginning in the thirteenth month, the revenue from that acquisition is included in the Organic Revenue Growth comparison against the corresponding prior-year period. This approach ensures comparability by aligning revenue bases year-over-year and isolating the performance of our ongoing operations. We believe that Organic Revenue Growth is a useful supplemental metric for investors and management, as it provides a clearer view of underlying revenue trends excluding the impact of acquisition-related growth.

### Executive Highlights

The table below presents the revenue, its growth, and other financial performance measures over the period 2018-2024. Results for the period 2018 -2022 provides supplemental financial information prior to the Group's initial registration with the SEC:

	2018	2019	2020	2021	2022	2023	2024	2024 Normalized <sup>(1)</sup>	CAGR 2018-2024
Revenue (\$m)	33.8	55.5	77.4	99.3	108.8	135.0	149.6	149.6	28.1 %
Revenue growth (year over year)	28.0 %	64.2 %	39.5 %	28.3 %	9.6 %	24.1 %	10.8 %	10.8 %	
Organic Revenue Growth	25.3 %	32.5 %	8.3 %	24.4 %	6.7 %	2.0 %	2.7 %	2.7 %	
Net loss (\$m)					(15.0)	(14.2)	(24.0)	(21.6)	
Adjusted EBITDA (\$m) <sup>(2)</sup>					31.2	35.1	36.1	39.2	
Net loss margin					(13.8)%	(10.6)%	(16.0)%	(14.4)%	
Adjusted EBITDA margin <sup>(2)</sup>					28.7 %	26.0 %	24.2 %	26.2 %	
Top 10 clients as % of total revenue	25.9 %	17.9 %	12.3 %	14.7 %	11.0 %	10.8 %	8.7 %	8.7 %	

(1) Net loss and Adjusted EBITDA in 2024 was significantly impacted by higher-than-normal one-off expenses, driven by two items: (i) the start-up losses at the self-incubated company Concordant, and (ii) transaction expenses related to M&A, which were unusually high in 2024 due to PPHC making its first international acquisition and the inclusion of bank loan origination costs. Together, these expenses increased from \$0.5 million in the year ended December 31, 2023 to \$3.6 million in the year ended December 31, 2024, reflecting an increase of \$3.1 million in 2024, with an after tax impact of \$2.4 million in 2024. Only for illustrative purposes, the company provides a "Normalized" 2024 profit in which the impact of this increase in one-off costs was removed.

(2) The Group has presented Adjusted EBITDA from 2022 onwards only as prior to 2022 the Group was formed as a partnership with profits being distributed to the partners.

The table below sets out the non-GAAP financial measures used by our management together, in each case, with the nearest comparable measure under US GAAP.

	As reported for the year ended December 31,			Illustrative: Normalized <sup>(1)</sup>	
	2024	2023	Change	2024	Change
<b>US\$ thousands, except per share amounts</b>					
<b>Revenue</b>	149,563	134,986	10.8 %	149,563	10.8 %
<b>Net loss</b>	(23,957)	(14,244)	68.2 %	(21,580)	51.5 %
<b>Net loss margin</b>	(16.0 %)	(10.6 %)	-5.4pts	(14.4 %)	-3.9 %
Adjusted EBITDA	36,129	35,068	3.0%	39,181	11.7%
Adjusted EBITDA margin	24.2 %	26.0 %	-1.8pts	26.2 %	0.2pts
Adjusted Net Income	27,724	26,505	4.6%	30,102	13.6%
<b>Net loss per share, basic and diluted</b>	(21.42)c	(13.12)c	63.3 %	(19.30)c	47.1 %
Adjusted EPS, basic	23.45c	23.54c	-0.4 %	25.46c	8.2 %
Adjusted EPS, diluted	22.22c	22.71c	-2.2 %	24.12c	6.2 %
<b>Dividend per share</b>	9.40c	14.30c			
<b>Net cash provided by operating activities</b>	16,402	10,235			
Adjusted Free Cash Flow	22,237	21,370			
<b>Net cash used by investing activities</b>	(19,490)	(10,079)			
<b>Net cash provided (used) by financing activities</b>	3,337	(7,017)			
<b>Cash and cash equivalents at end of period</b>	<b>14,536</b>	<b>14,341</b>			
Net (Debt)/Cash at period-end	(17,509)	3,400			

*Notes:*

(1) Adjusted EBITDA in 2024 was significantly impacted by higher-than-normal one-off expenses, driven by two items: (i) the start-up losses at the self-incubated company Concordant, and (ii) transaction expenses related to M&A, which were unusually high in 2024 due to PPHC making its first international acquisition and the inclusion of bank loan origination costs. Together, these expenses increased from \$0.5 million in the year ended December 31, 2023 to \$3.6 million in the year ended December 31, 2024, reflecting an increase of \$3.1 million in 2024, with an after tax impact of \$2.4 million in 2024. Only for illustrative purposes, the company provides a 'Normalized' 2024 profit in which the impact of this increase in one-off costs was removed.

Highlights from the year ended December 31, 2024 include the following:

- Revenue increased 10.8% to \$149.6 million in 2024 from \$135.0 million in 2023, with Organic Revenue Growth contributing 3.7%.
- Adjusted EBITDA increased 3.0% to \$36.1 million in 2024 from \$35.1 million in 2023, this achieved at a 24.2% Adjusted EBITDA margin.
- Net losses increased 68.2%, or \$9.8 million, to \$24.0 million in 2024 from \$14.2 million, due to a \$3.4 million increase in general and administrative expense largely driven by the acquisition of Lucas, MultiState and Pagefield; a \$2.1 million increase in M&A costs and a \$2.4 million reduction to gain on bargain purchase price compared to the previous period.
- Adjusted Net Income increased 4.6% to \$27.7 million in 2024 from \$26.5 million in 2023 driven by the increase in Adjusted EBITDA, a more favorable effective tax rate and partly offset by an increase in finance costs.
- Adjusted EPS basic of \$0.2345 was flat relative to the prior year, with increased Adjusted Net Income being offset by a 5.0% increase in the number of shares in issue.

- Performance in 2024 was impacted by an exceptional increase in cost with an incidental nature (M&A costs and Concordant start-up costs), totaling \$3.6 million in 2024, representing an increase of \$3.1 million. For illustrative purposes, without this increase of \$3.1 million, Adjusted EBITDA would have increased by 11.7%, Adjusted Net Income would have increased by 13.6% , Adjusted EPS basic would have increased by 8.2% and Adjusted EPS fully diluted would have increased by 6.2%.
- Our balance sheet remains robust, underpinned by strong Adjusted Free Cash Flow which increased by 3.7% to \$22.2 million from \$21.4 million in 2023, enabling strategic progress via organic investment and earnings-enhancing M&A.
- Net Debt increased to \$17.5 million compared to Net Cash of \$3.4 million in 2023 which reflects a prudent leverage ratio and the deployment of \$25.0 million of new debt into two earnings-accretive acquisitions in the year ended December 31, 2024.
- We retain strong confidence in our outlook and have declared a final dividend of \$0.0470 per Common Outstanding Share, bringing the total dividend for FY2024 to \$0.0940. This is in line with the updated dividend policy announced in January 2025, which enables the retention of more capital and for the Group to act decisively on accretive M&A opportunities, thus driving long-term shareholder returns and value creation.

The table below sets forth a reconciliation of Adjusted EBITDA and Adjusted EBITDA margin to net loss and net loss margin.

	For the year ended December 31,		
	2024	2023	2022
	US\$ thousands, except where indicated		
Net loss	(23,957)	(14,244)	(15,009)
Net loss margin	(16.0)%	(10.6 %)	(13.8 %)
Adjustments:			
Interest income	(177)	(18)	(13)
Interest expense	1,900	959	17
Income tax expense	6,545	7,503	7,798
Depreciation and amortization	4,807	3,998	2,229
EBITDA	(10,882)	(1,802)	(4,978)
Long-term incentive program charges	4,162	2,796	318
Share-based accounting charge	31,804	30,904	33,392
Post-combination compensation charge	11,599	6,295	2,441
Change in fair value of contingent consideration	1,910	1,711	—
Gain on bargain purchase, net of deferred taxes	(2,464)	(4,836)	—
Adjusted EBITDA	36,129	35,068	31,173
Adjusted EBITDA Margin	24.2 %	26.0 %	28.7 %

*Depreciation and Amortization* of \$4.8 million in the year ended December 31, 2024, (FY2023: \$4.0m) includes non-cash amortization charges of \$4.7m (FY2023: \$3.9m) relating to the amortization of acquired customer relationships, developed technology, and non-compete agreements.

*Long-term incentive program* charges relate to the Omnibus Incentive Plan under which options, stock appreciation rights, restricted stock units and restricted stock awards have been granted. The amortization of the fair value of share-based awards is recorded as an expense in the statement of operations with a portion recorded to salaries and other personnel costs within cost of services and a portion recorded to general and administrative costs.

*Share-based accounting charges* relate to the pre-IPO shares retained by the Group Executives at the time of the London Stock Exchange IPO in 2021, governed by their new Executive Employment Agreements entered into in 2021. Under these new Employment Agreements, the retained shares were made subject to a new vesting

arrangement, and will vest in equal installments over five years, provided the executive remains employed. The Group records a share-based accounting charge for each vesting period, with the final charge to be recorded in the year ending December 31, 2026. The expense is recorded to cost of services or general and administrative expense depending on the role of the executive. These charges are distinct from normal personnel costs because these charges are uniquely tied to the vesting agreements at the time of the 2021 IPO, and do not represent a cash outflow of the Group.

*Post-combination expense* arises from certain acquisitions that have been completed since the IPO in 2021. In order to protect the interests of the Group, to a certain extent the cash and shares paid and payable as part of these transactions are made subject to vesting schedules that require continued employment. The addition of these provisions to purchase price paid and payable for an acquired business creates a post-combination compensation charge in accordance with accounting guidance under US GAAP (Accounting Standards Codification 805-10-55-25). These charges are distinct from normal personnel costs because (i) these payments are directly tied to the acquisition of the respective company and prescribed within such purchase agreements (ii) these payments are incremental to the market rate compensation packages afforded to the same recipients (iii) the post-combination compensation is limited in time to the earnout period agreed at the point of acquisition of a company, and will no longer be an expense after the expiration of that earnout.

*Change in fair value of contingent consideration* arises from the remeasurement of contingent consideration relating to the business acquisitions of the Group. We exclude these costs, or gains, from calculating non-GAAP measures because (i) they are based upon valuation methodologies and assumptions that vary over time and are outside of our control and thus are unrelated to our core operating performance.

*Gain on bargain purchase, net of deferred taxes* as a non-cash gain, have been excluded from the calculation of non-GAAP measures.

EPS, Adjusted EPS basic and Adjusted EPS diluted for the year ended December 31, 2024, were as follows:

	US\$ thousands, except per share amounts		
	GAAP	Adjustments <sup>(1)</sup>	Non-GAAP
Net income and Adjusted Net Income	(23,957)	51,681	27,724
<b>Adjustments to Net Income</b>			
Amortization of intangible assets		4,671	
Share-based accounting charge		31,804	
Post-combination compensation charge		11,599	
Change in fair value of contingent consideration		1,910	
Long-term incentive program expense		4,162	
Gain on bargain purchase price		(2,464)	
		<u>51,681</u>	
<b>Weighted average number of shares outstanding</b>			
- Common Shares	111,826,822		111,826,822
- Legally outstanding shares			118,217,173
- Fully Diluted			124,791,886
<b>Earnings per share (EPS, \$), based on</b>			
- Common Shares	(21.42)c		24.79c
- Legally outstanding shares (Adjusted EPS, basic)			23.45c
- Fully Diluted (Adjusted EPS, diluted)			22.22c

(1) Table may not sum due to immaterial rounding differences

EPS, Adjusted EPS basic and Adjusted EPS diluted for the year ended December 31, 2023, were as follows:

	US\$ thousands, except per share amounts		
	GAAP	Adjustments	Non-GAAP
Net income and adjusted net income	(14,244)	40,749	26,505
<b>Adjustments to Net Income</b>			
Amortization of intangible assets		3,879	
Share-based accounting charge		30,904	
Post-combination compensation charge		6,295	
Change in fair value of contingent consideration		1,711	
Long-term incentive program expense		2,796	
Gain on bargain purchase price		(4,836)	
		40,749	
<b>Weighted average number of shares outstanding</b>			
- Common Shares	108,606,133		108,606,133
- Legally outstanding shares			115,271,961
- Fully Diluted			120,586,017
<b>Earnings per share (EPS, \$), based on</b>			
- Common Shares	(13.12)c		24.40c
- Legally outstanding shares (Adjusted EPS, basic)			23.54c
- Fully Diluted (Adjusted EPS, diluted)			22.71c

The table below sets forth a reconciliation of Adjusted Free Cash Flow to net cash provided by operating activities.

	For the year ended December 31,	
	2024	2023
	US\$ thousands, except where indicated	
<b>Net cash provided by operating activities</b>	16,402	10,234
Prepaid post-combination expense	4,640	9,504
Change in other liability	982	1,822
Change in contingent consideration	269	43
Capex	(56)	(233)
<i>Adjusted Free Cash Flow</i>	22,237	21,370

The table below sets forth a reconciliation of cash and cash equivalents at period-end to net debt at period-end.

	For the year ended December 31,	
	2024	2023
	US\$ thousands, except where indicated	
<b>Cash and cash equivalents as of end of period</b>	14,536	14,341
Notes payable, long-term, net	26,014	7,571
Notes payable, current portion, net	6,031	3,370
<i>Net (debt)/cash at period-end</i>	(17,509)	3,400

#### Segment Results of Operations

As discussed in Note 11 in Item 15, Financial Statements and Exhibits, we have three reportable segments as of December 31, 2024, Government Relations Consulting, Public Affairs Consulting and Diversified Services. The results of operations of our segments are as follows<sup>(1)</sup>:

	As reported for the year ended December 31,		
	2024	2023	Change
<i>Government Relations Consulting</i>			
Revenue	102,464	95,477	6,987
Staff costs	47,342	41,963	5,379
Non-staff costs	8,173	7,594	579
Segment Adjusted Pre-Bonus EBITDA	46,950	45,919	1,029
<i>Public Affairs Consulting</i>			
Revenue	36,405	32,257	4,148
Staff costs	23,419	19,990	3,429
Non-staff costs	5,203	3,517	1,686
Segment Adjusted Pre-Bonus EBITDA	7,784	8,750	(967)
<i>Diversified Services</i>			
Revenue	10,694	7,253	3,441
Staff costs	4,893	3,548	1,345
Non-staff costs	703	566	137
Segment Adjusted Pre-Bonus EBITDA	5,098	3,139	1,959
Unallocated bonus expense	10,375	13,178	(2,803)
Unallocated corporate costs	13,328	9,562	3,766
<b>Total Adjusted EBITDA</b>	<b>36,129</b>	<b>35,068</b>	<b>1,061</b>

(1) Table may not sum due to immaterial rounding differences.

Government Relations Consulting Segment Adjusted Pre-Bonus EBITDA increased by \$1.0 million from the acquisitions of MultiState and Pagefield as well as organic growth, offset by associated staff costs increases as well as a re-investment initiative at Alpine with temporary negative margin impact.

Public Affairs Consulting Segment Adjusted Pre-Bonus EBITDA declined by \$1.0 million, with an increase in business from the acquisitions of Pagefield and Lucas being offset by a decline in the remaining businesses. This decline primarily arose in the first half of 2024 (also following a decline in the second half of 2023), reflecting a

reduction in client project spend. We believe this reduction in project spend in 2023 was primarily driven by economic headwinds (spurred by geopolitical tensions and other factors), while in 2024 this was primarily driven by the pending US elections which traditionally dampen policy communications due to media prices and political uncertainty. In the second half of 2024, Public Affairs Consulting resumed its growth.

Diversified Services Segment Adjusted Pre-Bonus EBITDA increased by \$2.0 million primarily driven by the acquisition of MultiState. The underlying business lines continued to perform well, and benefited from improving margins due to revenue growth in combination with extensive use of technology.

### **Factors Affecting Our Results of Operations**

#### ***Ongoing changes in policy, regulatory and political activity are driving demand for our services.***

The size of the market for government relations services has steadily grown over the past decade. Federal level lobbying increased at a CAGR of over 3.0% between 2014 and 2024. In general, changes in power - and the associated change in agendas – drive a need for clients to interact with government and voter constituencies on policy matters. In recent years this market growth was driven by historic levels of stimulus and infrastructure spending from the federal government during and immediately after the COVID years, increased focus on state and city lobbying, and active legislative agendas at all government levels. Also following the outcome of the 2025 US elections, we have observed material new business activity in the US driven by evolving US tariff policies, tax policies, antitrust initiatives and an expected move toward deregulation of certain industries. These factors are applicable to all three segments of the Group.

The market for public affairs is complementary to that for government relations, and is believed to be larger. While the long-term growth trends for all of these markets are believed to be similar, in the short term. Public affairs is more susceptible to the swings of economic environment and timing of elections.

#### ***Since our inception, we have grown our business substantially through strategic acquisitions of other firms in our industry and expect to make additional acquisitions in the future.***

Since our founding in 2014, we have acquired multiple businesses, which currently operate as 11 semi-autonomous Group companies. Following each successive acquisition, each new Group company has been integrated into our corporate structure and its financial position, cash flows and operating results subsequently consolidated in to the Group's accounts and annual financial statements. Our revenue has grown significantly over the period since 2014 in part as a result of such consolidation as well organic growth. In the years ending December 31, 2023 and 2024, we acquired three businesses (MultiState, Lucas and Pagefield); in April 2025, we also completed the acquisition of TrailRunner. We continue to actively seek to expand our portfolio of member companies internationally with strategically and financially attractive opportunities while adding complementary specializations. We believe that we can substantially grow our revenue in the coming years through a combination of such acquisitions and organic growth, and have communicated an ambition of working towards \$500 million in revenues in the medium-term, with organic revenue growth 5% to 10% , while achieving an Adjusted EBITDA margin between 25% and 30%. Our ability to grow our revenues through further M&A activity, and to and achieve such EBITDA margins, will depend on a number of factors, including the availability of acquisition targets and our ability to negotiate favorable pricing and terms, factors which may in turn be impacted by market conditions, interest rates and the demand for services in our industry.

#### ***Limited Exposure to Shifts in Political Power***

Since inception, our strategy has been to minimize reliance on the political orientation of the parties that control executive or legislative government bodies. To that end, each of our member companies operates with clients from across the political spectrum irrespective of their party affiliation. In addition, we do not engage in work for political campaigns. This approach is intended to ensure stability in our client base and mitigate the potential impact of changes in political leadership on our business operations.

***Relatively low cyclicity of demand for lobbying services helps mitigate greater cyclicity in the public affairs and strategic communications market.***

The level and variability of demand for lobbying services varies by industry, and the demand for lobbying services can be impacted by political developments such as proposed legislation affecting a particular industry or group. For example, in a given year, proposed soda taxes may result in increased lobbying spend by the beverage industry or legislation affecting federal health care spending or reimbursements could boost lobbying spend by the healthcare and pharmaceutical industries. Overall, however, lobbying spend appears to be less correlated to the economic cycle, and has shown a relatively modest decline during recent recessions—for example, there was only a ~2% decline in active lobbyist positions during the 2008 recession.

By contrast, corporate allocations to public affairs are more exposed to cyclicity, for example through project-based fees, than government affairs. During an economic downturn, clients may be more likely to defer big public affairs projects and trim media spend. Increased public affairs spending in recent years has been driven by several key trends, including more advanced digital engagement capabilities and channels and heightened consumer and brand activism, but there can be no assurance that such trends will continue. We believe that our core lobbying relationships provide a strong foothold giving us access to client decision makers, and we have seen less cyclical variability in our related public relations revenues than our competitors that do not have integrated lobbying offerings.

There has been recent discussion in the financial press about a heightened risk of recession in the US or other global markets over the next 12 months. While, as noted, we would expect any resulting impact on the demand for our services to be felt primarily in our Public Affairs Consulting segment, and to be mitigated by the strength of our client relationships, a prolonged or severe downturn in the US or global economy could negatively impact demand for lobbying and public affairs services and thus our revenues and results of operations.

***Digital disruption and AI are likely to continue to affect the needs of our Strategic Communications and Public Affairs clients and the way we do business.***

Work in our Government Relations Consulting segment has faced limited digital disruption to its core business model or service offering. Firms still largely operate in a traditional way based on relationships and face-to-face interactions (physically or virtually). Digital content, communication and channels have, however, been a significant disruptor to the public relations industry as well as the strategic communications sector and have significantly changed the way that communications and advocacy are delivered. Data analytics knowledge and tools have become increasingly valuable and are more often than not required hiring criteria for all agency partners.

**Liquidity and Capital Resources**

Our primary sources of liquidity have been cash flows from operations and bank borrowings, and our principal uses of cash flows from operations include investment in strategic acquisitions and distributions to our shareholders.

Our ability to fund future acquisitions, capital expenditures and working capital, and to make scheduled payments of principal, or to pay the interest on, or to refinance, our indebtedness, will depend on our future performance and our ability to generate cash, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors that are beyond our control. We believe that our cash flows from operating activities and bank borrowings will be sufficient to fund our anticipated acquisitions, capital expenditure, working capital requirements and debt service requirements as they become due.

### **Historical cash flows**

The following table<sup>(1)</sup> summarizes our cash flows for the years ended December 31, 2024 and 2023, as reported in our accompanying consolidated financial statements:

	<b>For the year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(US\$ thousands)</b>	
Net cash provided by operating activities	16,402	10,235
Net cash used in investing activities	(19,490)	(10,079)
Net cash provided by (used in) financing activities	3,337	(7,017)
Effect of exchange rate changes on cash and cash equivalents	(55)	—
Net increase (decrease) in cash and cash equivalents	195	(6,861)
Cash and cash equivalents as of beginning of year	14,341	21,202
Cash and cash equivalents as of end of year	14,536	14,341

(1) Table may not sum due to immaterial rounding.

#### *Cash flows generated from operating activities*

Net cash provided by operating activities were \$16.4 million in the year ended December 31, 2024, compared to \$10.2 million in the year ended December 31, 2023. This increase was primarily due to the growth in our business operations, additional income associated with the acquisition of Lucas, Pagefield and MultiState, and favorable movements in working capital.

#### *Cash flows used in investing activities*

Cash flows used in investing activities were \$19.5 million in the year ended December 31, 2024, compared to \$10.1 million in the year ended December 31, 2023. This increase was primarily due to an increase in the amount of cash paid for acquisitions (net of cash acquired), reflecting the acquisitions of Lucas and Pagefield, offset to some degree by the current portion of the Alpine Notes Receivable. (For additional information regarding the Alpine Notes Receivable, see “Item 7: Certain Relationships and Related Party Transactions, and Director Independence—Related Party Transactions.”)

#### *Cash flows used in financing activities*

Cash flows provided by financing activities were \$3.3 million in the year ended December 31, 2024, compared to \$7.0 million used in financing activities in the year ended December 31, 2023. This increase was primarily due to a \$11.0 million increase in the proceeds from drawdowns under the Bank Credit Facilities.

The following tables summarizes the components of changes in cash and cash equivalents:

	<b>For the years ended December 31,</b>		<b>change (%)</b>	<b>change</b>
	<b>2024</b>	<b>2023</b>		
Net cash provided by operating activities - as reported	16,402	10,235	60.3 %	6,167
Add back: items related to acquisitions	5,890	11,368	(48.2)%	(5,478)
Principal cash sources	22,292	21,603	3.2 %	690
Capital expenditures	(56)	(233)	(76.0)%	177
Note receivable to related parties	350	(1,750)	(120.0)%	2,100
Dividends paid	(16,836)	(15,843)	6.3 %	(993)
Acquisition payments, including payment of contingent purchase price obligations, net of cash acquired	(26,424)	(21,243)	24.4 %	(5,181)
Principal cash uses	(42,966)	(39,069)	10.0 %	(3,896)
Principal cash uses in excess of principal cash sources	(20,674)	(17,466)	18.4 %	(3,206)
Effect of foreign exchange rate changes on cash and cash equivalents	(55)	—		(55)
Net financing activities	20,924	10,605	97.3 %	10,316
Decrease in cash and cash equivalents - as reported	195	(6,861)	(102.8)%	7,056

#### ***Future Capital Requirements***

We are actively seeking to expand our portfolio of member companies internationally with strategically and financially attractive opportunities while adding complementary specializations. We expect to fund the purchase price for such acquisitions with net cash from operating activities and a combination of new stock issuance and debt financing.

Our capital expenditures principally include investments in office build-outs and small equipment, and have not historically been material to the group.

#### ***Contractual Commitments and Contingencies***

##### *Contractual obligations*

Our principal contractual obligations consist of our obligations in respect of financial indebtedness that is owed under our credit facilities. In addition, we have obligations under leases, trade and other payables, capital commitments and other contractual commitments. Finally, we have obligations under acquisition agreements (earnout obligations). We expect that our contractual commitments may evolve over time in response to current

business and market conditions, with the result that future amounts due may differ considerably from the expected amounts payable set out in the table below.

Contractual obligations	Payments due by					Total
	2025	2026	2027	2028	Thereafter	
	(US\$ thousands)					
Long-term debt (excl. interest)	6,200	5,850	5,850	14,350	-	32,250
Operating lease obligations	5,782	5,696	4,785	4,208	3,917	24,388
Contingent acquisition payments (cash-only)	3,728	3,250	3,053	13,481	1,112	24,624
<b>Total</b>	<b>15,710</b>	<b>14,796</b>	<b>13,688</b>	<b>32,039</b>	<b>5,029</b>	<b>81,262</b>

#### Financial obligations

##### Bank Credit Facilities

On February 28, 2023, the Group entered into a \$17.0 million credit agreement with Bank of America (as amended, the “Credit Agreement”), providing for a senior secured line of credit of up to \$3.0 million (the “2023 Facility 1”) and a senior secured term loan of \$14.0 million (the “2023 Facility 2,” and, together with the 2023 Facility 1, the “2023 Facilities”). In April 2024 and June 2024, respectively, we entered into two amendments to the Credit Agreement (collectively, the “2024 Credit Agreement Amendments”), which provided for two additional term loans in the amounts of, respectively, \$6.0 million (the “2024 Term Loan A”) and \$19.0 million (the “2024 Term Loan B,” and, together with the 2024 Term Loan A, the “2024 Facilities”). In January 2025, we entered into a third amendment, creating an additional term loan of up to \$24.0 million (the “2025 Term Loan,” and, together with the 2023 Facilities and the 2024 Facilities, the “Bank Credit Facilities”),

The interest rate under the 2023 Facilities is the Secured Overnight Financing Rate (“SOFR”) as administered by the Federal Reserve Bank of New York, plus 2.25% per annum. The interest rate under the 2024 Facilities is SOFR plus 2.60% per annum, and the interest rate under the 2025 Term Loan is SOFR plus 2.60% per annum. Interest is payable monthly.

The Bank Credit Facilities are collateralized by substantially all of our net assets.

The Bank Credit Facilities mature on March 31, 2029.

As of December 31, 2024, there was no balance outstanding under the 2023 Facility 1; \$7.9 million outstanding under the 2023 Facility 2; \$5.9 million outstanding under the 2024 Term Loan A; \$18.5 million under the 2024 Term Loan B; and no balance outstanding under the 2025 Term Loan.

As of December 31, 2024, under the 2023 Facility 1, we had capacity to re-borrow up to \$3.0 million, less any outstanding letters of credit, or 80% of the Group’s eligible receivables, whichever is less.

As of December 31, 2024, the principal maturities under the Bank Credit Facilities were as follows:

	Principal amount maturing under				Total
	2023 Facility 1	2023 Facility 2	2024 Term Loan A	2024 Term Loan B	
	US\$ thousands				
2025	—	2,450	900	2,850	6,200
2026	—	2,100	900	2,850	5,850
2027	—	2,100	900	2,850	5,850
2028	—	1,225	3,150	9,975	14,350
	—	<b>7,875</b>	<b>5,850</b>	<b>18,525</b>	<b>32,250</b>

### *Contingent Obligations*

#### Earnout obligations

As part of the typical structure our acquisition of new member companies, we are committed to making certain earnout payments. These earnout payments are based on a profit-driven formula and only materialize if the acquired company realizes profit growth after the date of completion. Payments are typically made in a mix of cash and shares. In turn, each of these components of earnout payments may be subject to further vesting requirements and employment conditions, which keeps the recipients financially committed to business.

In relation to these earnout payments, as of December 31, 2024, we have recorded liabilities of \$15.8 million on our balance sheet, spread across the line items Contingent Consideration and Other Liabilities. This number reflects both the estimated foreseen nominal payments, and also discount factors and fair value estimates. In nominal terms, over the period 2025-2029, based on expected performance of each of the acquired companies, we anticipate having to make earnout payments of \$44.1 million, of which \$24.6 million would be payable in cash, and the remainder in shares. The maximum earnout liability over that same period, which would only be reached if each acquisition meets very aggressive profit growth targets, would be \$97.1 million, of which \$57.4 million would be payable in cash, and the remainder in shares. Generally, in order for an acquisition to reach maximum earnout payments, it would need to grow its profit by 25-30% annually over the earnout period.

#### *Off-Balance Sheet Arrangements*

During the fiscal years ended December 31, 2024 and 2023, the Group did not engage in any other off-balance sheet commitments, contingencies or arrangements as set forth in Item 303(b) of Regulation S-K.

### **Critical Accounting Estimates**

#### *Business Acquisitions and Valuation of Contingent Consideration and Post-Combination Liabilities*

The Company accounts for business acquisitions using the acquisition method. Under ASC 805 Business Combinations, a business combination occurs when an entity obtains control of a “business.” The Company determines whether or not the gross assets acquired meet the definition of a business. If they meet this criteria, the Company accounts for the transaction as a business acquisition. If they do not meet this criteria the transaction is accounted for as an asset acquisition. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issuance of debt or equity securities.

Contingent consideration is measured at fair value at the date of acquisition and is based on expected cash flow of the acquisition target discounted over time using an observable market discount rate. The Company generally utilizes outside valuation experts to determine the amount of contingent consideration. We estimate and record the acquisition date fair value of contingent consideration as part of purchase price consideration for business acquisitions. Additionally, each reporting period, we estimate changes in the fair value of contingent consideration and recognizes any change in fair value in our consolidated statements of operations and other comprehensive loss. The fair value of the contingent consideration is generally measured using Monte Carlo simulations to estimate the achievement and amount of certain future operating results. The Monte Carlo simulations utilize subjective assumptions and estimates including; expected volatility of future operating results, discount rates applicable to future results, and expected growth rates. Future revisions to these assumptions could materially change the estimate of the fair value of contingent consideration and, therefore, materially affect our future financial results. The contingent consideration liability is to be settled through a combination of cash and shares of Common Stock based on each respective purchase agreement and the amount ultimately paid is dependent on the achievement of certain future operating results.

Furthermore, the contractual purchase price of business acquisitions may include future payments to the seller that are not accounted for under ASC 805 Business Combinations due the existence of contractual vesting periods or claw-backs. Such future payments are generally recorded as liabilities of the Company. When a component of the

contractual purchase price of an acquired business is determined not to be consideration transferred in exchange for the business, and should therefore be accounted for as a separate transaction (such as compensation costs), the Company may, on occasion, recognize a gain on bargain purchase price because the accounting purchase price is not inclusive of such a separate component of the contractual purchase price when being compared to the fair value of the identifiable net assets of the acquired business which, in some cases, may result in the fair value of the identifiable net assets being in excess of the fair value of the purchase price consideration.

The Company records post-combination business expense over the vesting or claw-back period applicable for these future payments on a straight-line basis with the amount accrued recorded as other liability. The future earnout payments that have vesting or claw-back rights tied to employment will reduce the amount of the other liability when paid. The fair value of other liabilities is measured using the same Monte Carlo simulation with the same assumptions and inputs as outlined above for contingent consideration liabilities. The fair value of post-combination compensation obligations is remeasured at each reporting date, any changes in fair value are reflected as a cumulative catch up to post-combination compensation expense in the period in which the remeasurement occurred.

#### ***Goodwill and Indefinite-lived Intangible Assets***

Goodwill represents the excess of the purchase price in a business combination over the fair value of the net tangible and intangible assets acquired and the indefinite-lived intangible assets which consists of trademarks. In accordance with ASC 350, Intangibles - Goodwill and Other, goodwill and indefinite-lived intangible assets are not amortized but tested for impairment annually and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. We test our goodwill and indefinite-lived intangible assets for impairment annually as of the end of the fourth quarter using the qualitative assessment. The process of evaluating the potential impairment is highly subjective and requires the application of significant judgment. We first assess whether there are qualitative factors which would indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying value. We consider events and circumstances such as, but not limited to, macroeconomic conditions, industry and market conditions, our overall financial performance, and other relevant entity-specific events. If the qualitative assessment indicates that the fair value of the reporting unit is less than its carrying amount, a quantitative assessment is performed. Based on the results of our qualitative assessment, there was no goodwill or indefinite-lived intangible asset impairment for the years ended December 31, 2024 and 2023.

#### ***Other Intangible Assets***

Our definite-lived intangible assets consist of customer relationships, developed technology and non-compete agreements that have been acquired through various acquisitions. The Company generally utilizes third-party specialists to determine the fair value of acquired intangible assets. The valuation of these assets involves significant judgment and the use of valuation techniques such as the multi-period excess earnings method and the with-and-without method. These models require management to make assumptions about future revenue growth, customer attrition, operating margins, contributory asset charges, and discount rates. Changes in these assumptions could materially affect the fair value assigned to the intangible assets and the related amortization expense.

We amortize these assets over their estimated useful lives. Long-lived assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for an amount by which the carrying amount of the asset exceeds the fair value of the asset. We have not recorded any impairment charges related to long-lived assets for the years ended December 31, 2024 and 2023.

#### ***Long-term incentive program charges***

The fair value of awards issued under the Company's long-term incentive program are estimated using a Black-Scholes option-pricing model on the grant date which requires subjective inputs. The inputs of the option-pricing model include the fair market value of our Common Stock based on the closing price as reported on the date of the grant on the London AIM, estimated dividend yield, expected stock price volatility and risk-free interest rate. The

amortization of the fair value of share-based awards is recorded as an expense in the statement of operations either within salaries and other personnel costs within cost of services or to general and administrative costs.

#### **Critical Accounting Policies**

##### ***Revenue Recognition***

Revenue is recognized when control of services provided are transferred to customers and in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. A significant portion of the Company's contracts with customers have termination clauses that give the customer the right to terminate the contract without cause with one month's notice without any substantial penalty. As such, the Company believes such contracts should be treated as a month-to-month contract as this reflects the non-cancellable period of performance. For performance obligations for which the Company acts as an agent, the Company records revenue as the net amount of the gross billings less amounts remitted to the third-party.

##### ***Business Combinations***

Business combinations are accounted for using the acquisition method which requires that the assets acquired and liabilities assumed be recorded as of the date of the acquisition at their respective fair values with limited exceptions. Assets acquired and liabilities assumed in a business combination that arise from contingencies are generally recognized at fair value. If fair value cannot be determined, the asset or liability is recognized if probable and reasonably estimable; if these criteria are not met, no asset or liability is recognized. Transaction costs are expensed as incurred. The operating results of the acquired business are reflected in the Company's consolidated financial statements after the date of acquisition.

**ITEM 3. PROPERTIES**

We do not own any real estate or other properties materially important to our operations. We lease real estate property for remote office spaces and corporate office space, and substantially all of those leases are classified as operating leases. Our executive offices are located at 800 North Capitol St. NW, Suite 800, Washington, DC 20002, and our telephone number is (202) 688-0020. We believe that our office facilities will be suitable and adequate for our business as it is contemplated to be conducted

#### ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Set forth below is information regarding the beneficial ownership of our Common Stock as of May 20, 2025 by (i) each of our directors and named executive officers, (ii) each person whom we know owned, beneficially, more than 5% of the outstanding shares of our Common Stock, and (iii) all of our current directors and executive officers as a group. We believe that, except as otherwise noted below, each named beneficial owner has sole voting and investment power with respect to the shares listed. Unless otherwise indicated herein, beneficial ownership is determined in accordance with the rules of the SEC, and includes voting or investment power with respect to shares beneficially owned.

Name and address of beneficial owner <sup>(9)</sup>	Position	Shares of Common Stock beneficially owned	Percent of class beneficially owned
<b>Directors and executive officers</b>			
Simon Lee	Non-Executive Director (Chair)	323,694	0.26% <sup>(1)</sup>
George Stewart Hall	Chief Executive Officer	6,452,062	5.25% <sup>(2)</sup>
Roeland Smits	Chief Financial Officer	442,372	0.36% <sup>(3)</sup>
Zachary Williams	Executive Director	4,886,263	3.98% <sup>(4)</sup>
Keenan Austin Reed	Executive Director	267,776	0.22% <sup>(5)</sup>
William Chess	Non-Executive Director	2,543,416	2.07%
Benjamin Ginsberg	Non-Executive Director	0	0%
Kimberly White	Non-Executive Director	0	0%
Neal Strum	Chief Legal Officer	236,068	0.19% <sup>(6)</sup>
<i>Directors and executive officers as a group</i>	-	23,746,881	19.21%
<b>Beneficial owners of more than 5% of any class of Company voting securities</b>			
Jeffrey Alan Forbes	-	11,648,102	9.49% <sup>(7)</sup>
Daniel Clyde Tate, Jr.	-	8,016,120	6.53% <sup>(8)</sup>

Notes to table:

- (1) Shares of Common Stock for Simon Lee includes 323,694 shares held by Fiona Lee, the wife of Simon Lee and beneficially owned by Simon Lee.
- (2) Shares of Common Stock for George Stewart Hall includes 50,000 stock options and 33,334 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (3) Shares of Common Stock for Roeland Smits includes 100,000 stock options and 26,667 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (4) Shares of Common Stock for Zachary Williams includes 24,026 stock options and 13,333 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (5) Shares of Common Stock for Keenan Austin Reed includes 27,806 stock options and 31,000 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (6) Shares of Common Stock for Neal Strum includes 100,000 stock options and 26,667 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (7) Shares of Common Stock for Jeffrey Alan Forbes includes 24,026 stock options and 25,000 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (8) Shares of Common Stock for Daniel Clyde Tate includes 24,026 stock options and 18,333 RSUs issued under the Omnibus Incentive Plan which have vested or will vest within 60 days.
- (9) Unless otherwise indicated, the address for each person or entity listed is: c/o Public Policy Holding Company, Inc., 800 North Capitol St. NW, Suite 800, Washington, DC 20002.

## ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

### Our Directors and Executive Officers

The following table sets forth the names, ages and positions of our directors and executive officers as of May 20, 2025. Our directors serve staggered three-year terms, with approximately one-third of directors elected at each annual general meeting of our shareholders. We are not aware of any family relationships among any of our executive officers or directors. We are not aware of any of our directors or executive officers having been involved in any legal proceedings in the past ten years relating to any of the items set forth under Item 401(f) of Regulation S-K.

Name	Age	Position
Simon Lee <sup>(1)</sup>	64	Non-Executive Director (Chair)
George Stewart Hall <sup>(2)</sup>	59	Chief Executive Officer
Roeland Smits <sup>(3)</sup>	54	Chief Financial Officer
Zachary Williams <sup>(4)</sup>	47	Executive Director
Keenan Austin Reed <sup>(5)</sup>	42	Executive Director
William Chess <sup>(6)</sup>	81	Non-Executive Director
Benjamin Ginsberg <sup>(7)</sup>	74	Non-Executive Director
Kimberly White <sup>(8)</sup>	60	Non-Executive Director
Jill Kendrick	49	Chief Operating Officer
Thomas Gensemer	48	Chief Strategy Officer
Neal Strum	60	Chief Legal Officer
Ron Starzman	47	Executive Vice President, Human Resources
Paula Thrasher	50	Vice President, Control & Accounting
John Green	53	Chief Client Officer

Notes to table:

- (1) Mr. Lee's current term as director expires in 2027.
- (2) Mr. Hall's current term as director expires in 2028.
- (3) Mr. Smits' current term as director expires in 2026.
- (4) Mr. Williams' current term as director expires in 2027.
- (5) Ms. Austin Reed's current term as director expires in 2028.
- (6) Mr. Chess's current term as director expires in 2026.
- (7) Mr. Ginsberg's current term as director expires in 2026.
- (8) Ms. White's current term as director expires in 2028.

**Simon Lee** has served as a non-executive director and chairperson of our board, chair of our Audit Committee and a member of our Remuneration Committee since December 2021. Outside of his work with PPHC, Mr. Lee is Chair of Brit Syndicates and the Advisory Board of Perfect Cellar. He is Non-Executive Director of Fairfax International (Barbados) Ltd. Mr. Lee also serves on the Advisory Board of Entelechy. Until December 2013, he served as group chief executive of RSA Insurance Group plc, a FTSE 100 insurer. Mr. Lee also spent 17 years with NatWest Group where he held a number of senior leadership positions, including CEO of NatWest Offshore, Head of US Retail Banking, CEO NatWest Mortgage Corporation (US) and Director of Global Wholesale Markets.

**George Stewart Hall** is a co-founder of the Group and has served as our Chief Executive Officer and a member of our board of directors since PPHC's founding in February 2021 (having previously served as managing partner and CEO of PPHC-LLC). He is also founding principal of Crossroads Strategies, a multi-disciplinary federal relations, advocacy and advisory firm based in Washington DC. Mr. Hall has extensive experience in both the public and private sectors. He co-founded Federalist Group in 1999, which was acquired by Ogilvy Public Relations (WPP) in 2005. Prior to that, he served as Legislative Director to Senator Richard Shelby (R-AL) from 1992-1996, working across defense policy, appropriations and financial services committees.

**Roeland Smits** has served as our Chief Financial Officer and a member of our board of directors since September 2023. Mr. Smits joined PPHC in May 2022 as Deputy Chief Financial Officer with a strong focus on driving the company’s mergers and acquisitions (M&A) agenda. Prior to joining PPHC, Mr. Smits spent 12 years in various CFO roles at Kantar, co-owned by WPP and Bain Capital, where most recently he was CFO of Kantar Americas. Before joining Kantar, Mr. Smits spent 6 years leading the North American M&A team of WPP. Also, Mr. Smits spent 8 years working in private equity, most notably for HAL investments BV, a publicly listed family fund in the Netherlands.

**Zachary Williams** has served as an executive director on our board of directors since December 2021 and is managing partner at our Forbes Tate Partners member company, a full-service government and public affairs advocacy firm that became part of PPHC in 2014. Prior to Forbes Tate Partners, he was a founder and managing partner of Cauthen Forbes and Williams.

**Keenan Austin Reed** has served as an executive director on our board of directors since December 2023. Ms. Austin Reed is a global leader on policy and politics, and serves as a senior advisor to PPHC. Ms. Austin Reed is known for mobilizing her immense network and building brands and coalitions to advance the goals of her clients and the broader Capitol Hill community. Ms. Austin Reed is also a principal at our Alpine Group member company, a top 20 lobbying firm in Washington, DC. She joined Alpine Group in 2021 and rose swiftly to the firm’s leadership. Recently, Ms. Austin Reed was named “Lobbyist of the Year” by the prestigious Washington Government Relations Group. Ms. Austin Reed is also the founder and chair of Black Women Leading, a 501(c)(3) organization that supports the empowerment of Black women in public service, notably the Black Women’s Congressional Alliance (BWCA).

**William Chess** has served as a non-executive director on our board of directors since July 2024, having previously served as an executive director from December 2021 to July 2024, and is a co-founder of the Group. Mr. Chess was also formerly our Chief Financial Officer from December 2021 until July 2023, and our Chief Administrative Officer from July 2023 until July 2024. Previously, he was COO and CFO of Ogilvy Public Relations Worldwide (WPP), during which time he oversaw acquisition activity across all global regions. Mr. Chess began his business career with Unilever, including as Financial VP of Lever’s Food Division. He is a veteran of the US Air Force, where he served as an air traffic controller.

**Benjamin Ginsberg** has served as a non-executive director on our board of directors, and as a member of our Audit Committee and our Remuneration Committee, since December 2021. Prior to joining PPHC, Mr. Ginsberg was most recently a political law partner at international law firm Jones Day before retiring in August 2020. Prior to that, he served as national counsel to the Bush-Cheney presidential campaigns in 2000 and 2004, as well as the Romney for president campaigns of 2008 and 2012. He joined Patton Boggs, a full-service global law firm, in 1993 after serving eight years as counsel to the Republican National Committee, the Republican Senatorial Committee and the Republican Congressional Committee. Mr. Ginsberg is counsel to the Republican Governors Association.

**Kimberly White** has served as a non-executive director on our board of directors, and as chairperson of our Remuneration Committee and a member of our Audit Committee, since December 2021. Ms. White is senior vice president and chief corporate affairs officer of Generate: Biomedicines, a company focused on the application of AI to drug discovery founded by Flagship Pioneering. She most recently spent three years in the Alphabet ecosystem serving as a senior advisor to Verily and Isomorphic Labs, two of Alphabet’s “bets” in healthcare. Ms. White has served as chief communications officer for a number of public companies including CVS Health, Vertex Pharmaceuticals and Baxter. In addition to her corporate roles, she held senior leadership roles at Edelman and Ogilvy over a 20+ year agency career.

**Jill Kendrick** has served as our Chief Operating Officer since our founding in July 2014. She has 20 years of experience in developing, implementing, and growing the operational infrastructure to advance an organization throughout its business life cycle. Prior to joining PPHC, Ms. Kendrick served as the Chief Financial Officer of Crossroads Strategies, one of the founding firms of PPHC. In this role, she built the back-office infrastructure from the ground up for the financial and human resources processes across the growing group of companies. Before CRS, Ms. Kendrick served as the Chief Administrative Officer of Ogilvy Government Relations. In this capacity, she had oversight of all financial and personnel activities for, at the time, one of the top five government relations firms. She

transitioned from Federalist Group to Ogilvy Government Relations post acquisition of Federalist Group by Ogilvy Public Relations Worldwide, a WPP Company. She was the key point of contact throughout the due diligence during the acquisition process and handled the transition of all the financial and human resources post-acquisition. Ms. Kendrick has held additional positions within Federalist Group, Berman Enterprises, and in Disaster Fundraising for the National Headquarters of the American Red Cross. It was in these positions that she grew her appreciation for business process improvement.

**Thomas Gensemer** has served as our chief strategy officer since early 2020, having previously served as an advisor from 2019-2020. Mr. Gensemer joined PPHC after nearly 20 years in advertising, public affairs and politics. From 2005-2013 he served as CEO and managing partner of Blue State Digital (BSD), where he led the agency from its early founding through years of rapid growth until its ultimate acquisition by WPP in late 2011. In 2014, Mr. Gensemer was named chief strategy officer for Burson (then Burson-Marsteller), one of the world's largest public relations networks (also a WPP company), where he oversaw a portfolio of global clients (Accenture, Ford, Nestle) and led the firm's research, analytics, and creative functions. Mr. Gensemer's work and insights have been featured in global media including Bloomberg, the Guardian, Wall Street Journal, Economist, and Business Week. He's also appeared on CNN, CNBC, ITV, BBC, and Bloomberg TV. Mr. Gensemer continues involvement in organizations including the World Economic Forum, Aspen Institute, International Rescue Committee, Kasita, a hospitality start-up, and Court Avenue, a digital transformation agency. He also serves on the boards of the Public Goods Projects (PGP), the Purpose Foundation, the It Gets Better Campaign, and is a longtime advisor to the Family Equality Council.

**Neal Strum** has served as our Chief Legal Officer since January, 2022, having previously served as outside legal counsel since our inception. Mr. Strum brings over thirty years of legal experience as a corporate and finance attorney at Venable LLP. Prior to joining PPHC, Mr. Strum represented numerous clients across various industries – service, finance, hospitality, technology and healthcare – with a focus on mergers and acquisitions, venture capital, private equity and other equity investments. Mr. Strum is a graduate of the University of Maryland.

**Ron Starzman** has served as our Executive Vice President of Human Resources since April 2019. Throughout his extensive career, Mr. Starzman has developed key workplace improvement initiatives, built and administered employee engagement programs, and overseen performance management and benefits processes at leading corporations across a wide range of industries. In his current position at PPHC, Mr. Starzman provides strategic HR planning, direction, and operational business support while simultaneously serving as a leader, consultant, resource, and subject matter expert on HR policies, practices, and programs for member companies of PPHC. Prior to joining PPHC, Mr. Starzman was the university-wide head of employee relations at William & Mary, where he directly oversaw all full-cycle performance and talent management initiatives for over 2,500 staff. He previously served as a managing consultant at Watershed, where he helped industry-leading partner companies successfully define, identify, attract, select, integrate, develop, train, and retain top talent. Mr. Starzman is also a graduate of William & Mary, where he earned a bachelor's degree with a concentration in social psychology.

**Paula Thrasher** has served as our Vice President of Control and Accounting since July 2019, having previously served as Director of Finance at Forbes Tate. In this capacity she oversees our accounting department and is primarily responsible for directing and managing the fiscal and accounting functions in accordance with generally accepted accounting principles (GAAP) and our and our member companies' policies, procedures and regulations respectively, across all business segments. Ms. Thrasher came to PPHC with over twenty-five years of experience in accounting and financial analysis. She has management experience in accounting, budgeting, board presentations, cash management, financing, revenue sharing, information systems, property management, statistics, and strategic planning. Ms. Thrasher graduated from Troy University with a BS in business administration with an emphasis in accounting. She previously served as the director of finance with Forbes Tate Partners and the controller/staff accountant for Diamond Concrete, Dominic's, Alabama Farmers Federation, EFS, Inc., Dialysis Clinic Inc., and Columbia Regional Medical Center.

**John Green** has served as our Chief Client Officer since February 2025. Mr. Green is also chairman and co-founder of Crossroads Strategies, LLC. During his thirty years in the advocacy community, Mr. Green has successfully achieved policy results in virtually every field of federal advocacy, notably in technology and resources issues. Prior to his work at PPHC and Crossroads, Mr. Green co-founded Federalist Group, LLC. Federalist Group

was acquired by Ogilvy Public Relations and grew to be one of the top five government relations firms in Washington. Mr. Green began his career working in the US Senate, where he handled policy and administrative matters for the assistant majority leader and eventual majority leader of the US Senate. Additionally, he served as campaign manager for a successful congressional campaign, national finance chairman for multiple US Senate campaigns, and senior advisor to a presidential campaign.

#### **Our Board of Directors**

Our board of directors oversees the management of our business and serves as the ultimate decision-making body of the Company, except for those matters reserved to our stockholders. The board of directors oversees our management team, to whom it has delegated responsibility for our day-to-day operations. While the board's oversight role is broad and may concentrate on different areas from time to time, its primary areas of focus are strategy, oversight, governance and compliance, as well as assessing management.

Our board of directors currently consists of eight members, as set forth in the table below. Pursuant to our certificate of incorporation, our board of directors is divided into three classes, as nearly equal in number as possible, designated: Class I, Class II and Class II (the "Classified Board"), with the classes elected to staggered three-year terms. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors. Directors shall be assigned to each class in accordance with a resolution or resolutions adopted by our board of directors, with the number of directors in each class to be divided as nearly equal as reasonably possible. Our certificate of incorporation and bylaws do not limit the number of terms a member may be re-elected as a director.

Each of our four executive directors—George Stewart Hall, Roeland Smits, Zachary Williams and Keenan Austin Reed—are parties to an executive employment agreement with PPHC (in the case of Mr. Hall and Mr. Smits) or with certain of our operating subsidiaries (in the case of Mr. Williams and Ms. Austin Reed). Three of our non-executive directors—Simon Lee, Kimberly White and Ben Ginsberg—are parties to a letter of appointment, and Mr. Chess, a non-executive director of the Company is party to a consulting agreement, each as described below. (For additional information on executive employment agreements and director appointment and consulting agreements, see "*Item 6: Executive Compensation—Employment and Other Agreements*," below.)

#### **Board Committees**

Our board of directors has established audit and remuneration committees, each of which operate pursuant terms of reference adopted by our board of directors. Our board of directors also intends prior to the effectiveness of this registration statement to establish a nominations committee, and may establish other committees from time to time to assist us and our board of directors in their duties. Upon the effectiveness of this registration statement, we intend that the composition and functioning of all of our committees will comply with all applicable requirements of the Sarbanes-Oxley Act, the Nasdaq Stock Market, and the Exchange Act. Upon our listing on Nasdaq, each committee charter will be available on the corporate governance section of our website.

#### *Audit Committee*

The audit committee of our board of directors is currently comprised of Simon Lee (the chairperson), Benjamin Ginsburg and Kimberly White. The audit committee is required under its terms of reference to meet at least three times a year and otherwise as required. The audit committee's responsibilities generally include ensuring that our financial performance is properly reported on and reviewed. More specifically, the audit committee's role includes: (i) considering and monitoring the appointment and re-appointment of our external auditors as well as advising on the terms of engagement between the Group and such auditors; (ii) ensuring procedures are in place for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters; (iii) reporting formally to our board of directors on proceedings after each audit committee meeting; (iv) monitoring the integrity of our financial statements (including annual and interim accounts and results announcements); (v) undertaking narrative reporting and advising the board of directors on whether the content of the annual report and accounts provides the necessary information for shareholders to assess our performance, business model and strategy; (vi) reviewing internal control and risk management systems; (vii) reviewing our policies for detecting fraud; (viii) reviewing any changes to accounting policies and checking the application of these policies on a year-to-year basis; (ix) reviewing our internal audit functions, (x) reviewing and monitoring the extent of the non-audit

services undertaken by external auditors, and (xi) ensuring that we have in place the procedures, resources and controls to enable compliance with applicable AIM rules and the QCA Code. The audit committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board of directors for approval.

#### *Remuneration Committee*

The remuneration committee of our board of directors is currently comprised of Kimberly White (the chairperson), Benjamin Ginsburg and Simon Lee. The remuneration committee is required under its terms of reference to meet not less than twice a year and at such other times as required. The remuneration committee's responsibilities generally include determining our policy on the remuneration packages of our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, other executive directors, and other senior executives as designated by our board of directors. The remuneration committee also has responsibility for: (i) recommending to our board of directors a remuneration policy for executive directors and other senior executives, and monitoring its implementation; (ii) approving and recommending to our board of directors and shareholders the total individual remuneration package of the executive directors and other senior executives (including bonuses, incentive payments and share incentive awards or other share awards); and (iii) approving the design of, and determine targets for, any performance related pay schemes and share incentive plans operated by the Company. The remuneration of our non-executive directors (including the chair of our board of directors) is a matter for our executive directors. No director or member of management may be involved in any discussions as to their own remuneration. The remuneration committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board of directors for approval.

#### *Code of Business Conduct*

We expect to adopt a written Code of Business Conduct prior to the effectiveness of this registration statement, which will apply to all our directors, officers and employees, and be made available on our website.

The audit committee of our board of directors will be responsible for overseeing the Code of Business Conduct and approving any waivers of the Code of Business Conduct for executive officers and directors. We expect that any amendments to the Code of Business Conduct, or any waivers of its requirements with respect to our executive officers and directors, will be disclosed on our website.

## ITEM 6. EXECUTIVE COMPENSATION

### Summary Compensation Table

The following table and related footnotes show the compensation paid to our named executive officers during each of the years ended December 31, 2024 and 2023.

Name and principal position	Year	Salary (US\$)	Bonus (US\$)	Stock awards (US\$) <sup>(1)</sup>	All other compensation (US\$) <sup>(2)</sup>	Total (US\$)
George Stewart Hall, <i>Chief Executive Officer</i>	2023	799,992	—	397,987	11,430	1,209,409
	2024	799,992	333,500	87,940	36,850	1,258,282
Roeland Smits, <i>Chief Financial Officer</i>	2023	425,000	60,775	284,173	4,378	774,326
	2024	425,000	216,250	132,069	14,216	787,535
Neal Strum, <i>Chief Legal Officer</i>	2023	450,000	125,000	232,496	2,902	810,398
	2024	450,000	202,500	133,203	9,631	795,334

Notes to table:

(1) Stock awards comprise, in each case, the aggregate grant date fair value of all RSAs and RSUs issued to the person listed in the year indicated.

(2) All other compensation comprises, in each case, (i) premiums paid by the Group for a Group sponsored life insurance policy for the person listed; and (ii) all dividends paid to the person listed during the year indicated in respect of shares of Common Stock, RSAs or RSUs held by such person that were originally issued to them under the Omnibus Incentive Plan.

### Employment Agreements

We have employment agreements with each of our named executive officers, the principal terms of which are summarized below.

#### *Employment Agreement of George Stewart Hall (Chief Executive Officer)*

Pursuant to an agreement with PPHC dated August 2, 2021 (effective beginning at the time of our IPO on December 16, 2021), Mr. Hall is employed by us as Chief Executive Officer. Prior to December 16, 2021, Mr. Hall was employed by Crossroads Strategies, one of our operating subsidiaries. Mr. Hall is eligible to receive an annual cash bonus in accordance with the terms of our annual bonus program, subject to the attainment of applicable performance targets to be set by our board of directors or its delegate. Mr. Hall is also eligible to receive equity-based awards in accordance with our Omnibus Incentive Plan. Mr. Hall became a stockholder of the Company upon receiving shares in connection with our pre-IPO reorganization on December 10, 2021.

In the event we terminate Mr. Hall's employment without cause (as defined in the employment agreement) or Mr. Hall resigns for good reason (as defined in the employment agreement), in addition to unpaid salary for the period prior to termination, earned, but unpaid cash bonuses for previously completed bonus years and employee benefits under applicable plans, he would receive 12 months' severance in the amount of the then-current base salary, plus an additional amount equal to the most recent annual bonus. If this occurs, unvested awards (other than stock options) granted under the Omnibus Incentive Plan fully vest. If this occurs within 12 months after a change in control (as defined in the employment agreement), all unvested awards, including stock options, granted under the Omnibus Incentive Plan fully vest.

#### *Employment Agreement of Roeland Smits (Chief Financial Officer)*

Pursuant to an agreement with PPHC effective May 1, 2022, Mr. Smits was employed by us as Deputy Chief Financial Officer. On July 2, 2023, Mr. Smits was appointed as our Chief Financial Officer. Mr. Smits is eligible to receive an annual cash bonus in accordance with the terms of our annual bonus program, subject to the attainment of applicable performance targets to be set by our board of directors or its delegate. Mr. Smits is also eligible to receive equity-based awards in accordance with our Omnibus Incentive Plan.

In the event we terminate Mr. Smits' employment without cause (as defined in the employment agreement) or Mr. Smits resigns for good reason (as defined in the employment agreement), in addition to unpaid salary for the period prior to termination, earned, but unpaid cash bonuses for previously completed bonus years and employee benefits under applicable plans, he would receive 12 months' severance in the amount of the then-current base salary, plus an additional amount equal to the most recent annual bonus. If this occurs, unvested awards (other than stock options) granted under the Omnibus Incentive Plan fully vest. If this occurs within 12 months after a change in control (as defined in the employment agreement), all unvested awards, including stock options, granted under the Omnibus Incentive Plan fully vest.

#### **Employment Agreement of Neal Strum (Chief Legal Officer)**

Pursuant to an agreement with PPHC dated December 28, 2021, Mr. Strum is employed by us as Chief Legal Officer. Mr. Strum is eligible to receive an annual cash bonus in accordance with the terms of our annual bonus program, subject to the attainment of applicable performance targets to be set by our board of directors or its delegate. Mr. Strum is also eligible to receive equity-based awards in accordance with our Omnibus Incentive Plan.

In the event we terminate Mr. Strum's employment without cause (as defined in the employment agreement) or Mr. Strum resigns for good reason (as defined in the employment agreement), in addition to unpaid salary for the period prior to termination, earned, but unpaid cash bonuses for previously completed bonus years and employee benefits under applicable plans, he would receive 12 months' severance in the amount of the then-current base salary, plus an additional amount equal to the most recent annual bonus. If this occurs, unvested awards (other than stock options) granted under the Omnibus Incentive Plan fully vest. If this occurs within 12 months after a change in control (as defined in the employment agreement), all unvested awards, including stock options, granted under the Omnibus Incentive Plan fully vest.

#### **Outstanding Equity Awards at Fiscal Year End**

The following table and related footnotes show the unexercised stock options, unvested restricted stock units ("RSUs") and unvested restricted stock awards ("RSAs") held by our named executive officers as of December 31, 2024.

Name	Option Awards				Stock Awards	
	Number of Shares of Common Stock underlying exercisable unexercised options	Number of Shares of Common Stock underlying unexercisable unexercised options	Option exercise price (US\$) <sup>(4)</sup>	Option expiration date	Unvested shares or units of Common Stock	Market value of unvested shares or units of Common Stock (US\$)
George Stewart Hall	50,000	—	2.22	May 16, 2032	2,581,799 <sup>(1)</sup>	4,426,990
Roeland Smits	100,000	—	2.22	Oct 11, 2032	146,666 <sup>(2)</sup>	251,487
Neal Strum	100,000	—	2.22	May 16, 2032	146,666 <sup>(3)</sup>	251,487

#### Notes to table:

- (1) Comprises 2,415,133 shares of Common Stock, half of which are scheduled to vest on each of December 16, 2025 and December 16, 2026; 66,666 RSUs, half of which are scheduled to vest on each of October 3, 2025 and October 3, 2026; and 100,000 RSUs, one-third of which are scheduled to vest on each of June 26, 2025, June 26, 2026 and June 26, 2027.
- (2) Comprises 66,666 RSUs, half of which are scheduled to vest on each of October 3, 2025 and October 3, 2026, and 80,000 RSUs, one-third of which are scheduled to vest on each of June 26, 2025, June 26, 2026 and June 26, 2027.
- (3) Comprises 66,666 RSUs, half of which are scheduled to vest on each of October 3, 2025 and October 3, 2026; and 80,000 RSUs, one-third of which are scheduled to vest on each of June 26, 2025, June 26, 2026 and June 26, 2027.
- (4) The exercise price of each option is denominated in British pounds sterling ("GBP" or "£"), and was £1.77 per share for all options listed. The US dollar value indicated has been calculated using a GBP to US dollar exchange rate as of December 31, 2024 of 1.00 to 1.25.

#### **Annual Bonus Program**

Annual bonus amounts are paid as compensation for services to senior executives and employees based on achievement of certain operating targets at the Group, member company and individual employee level as determined by the remuneration committee of our board of directors with the input, where applicable, from

management of the relevant member company. Each year, in February, the remuneration committee determines the size of the bonus pool for the previous year, and allocates this pool among the Group's member companies and PPHC. Allocations of bonuses to individuals is discretionary. The remuneration committee makes specific allocations to PPHC's officers and executive directors. Allocations to all other employees are made by PPHC's CEO and the management of each member company. These bonuses are paid before March 15 each year. Eligibility for bonuses is noted in employment agreements, and certain employment agreements include a right of PPHC to clawback prior bonus payments if the employee violates restrictive covenants in the agreement.

#### **Omnibus Incentive Plan**

In 2021, we adopted the Omnibus Incentive Plan, under which options (both non-qualified options, and incentive stock options), stock appreciation rights, restricted stock units, restricted stock, unrestricted stock, cash-based awards and dividend equivalent rights may be issued. The first stock-based compensation units under the Omnibus Incentive Plan were issued in 2022. Key terms of the Omnibus Incentive Plan and certain grant agreements thereunder are summarized below:

- **Eligibility.** Employees, non-employee directors and consultants of PPHC and its affiliates, as selected by the remuneration committee of our board of directors or its delegates, are eligible for grants under the Omnibus Incentive Plan.
- **Grants.** The remuneration committee or its delegates will determine the timing, amount and recipients of grants under the Omnibus Incentive Plan.
- **Exercise/purchase price.** Options will be granted with an exercise price that is not less than the fair market value of the underlying shares of Common Stock as of the grant date.
- **Restrictions on restricted stock units.** Restricted stock units and restricted stock shall be subject to forfeiture conditions based on continuation of the service relationship and/or achievement of pre-established performance goals and objectives, as determined by the remuneration committee.
- **Limitations on exercise of options.** With respect to non-qualified options, the minimum number of shares of Common Stock with respect to which an option may be exercised at any one time is 1,000 shares, or if less, the total number of shares of Common Stock subject to exercise at such time.
- **Limitations on incentive stock options.** The aggregate fair market value of shares of Common Stock (determined as of the time of grant) with respect to which incentive stock options first become exercisable by a grantee during any calendar year will not exceed \$100,000.
- **Total number of shares available.** An award may not be granted if the number of shares of Common Stock committed to be issued under that award exceeds 15.0% of the ordinary share capital of the Company in issue immediately before that day, when added to the number of shares of Common Stock which have been issued, or committed to be issued, to satisfy awards under the Omnibus Incentive Plan, or options or awards under any other employee share plan operated by the Company, granted in the previous five years.
- **Exercise of options.** With respect to non-qualified options, options generally will become 100.0% vested and exercisable on the third anniversary of the grant date. Options may be exercisable within the times or upon the events determined by the remuneration committee as set forth in the relevant grant agreement, provided that no option will be exercisable after the expiration of ten years following the date of grant.
- **Employees leaving the Company.** With respect to non-qualified options, if a grantee ceases to provide services to the Company, the unvested portion of the option shall expire. With respect to the vested portion of the option, the option shall expire (i) immediately upon grantee's involuntary termination for cause, (ii) 30 days following grantee's voluntary termination of the service relationship (other than for good reason within 12 months following a change in control, in which case the option shall expire 90 days following grantee's termination), (iii) 90 days following grantee's involuntary termination of the service relationship

without cause, (iv) 12 months following termination of the service relationship due to grantee's death or disability, or (v) the day before the 10th anniversary of the grant date if earlier than the foregoing.

- **Transferability.** Awards may not be sold, assigned, transferred or otherwise encumbered or disposed of by a grantee other than by will or the laws of descent and distribution; provided, that the remuneration committee in its discretion, may permit transfers of non-qualified options to specified family members or related parties.
- **Corporate transactions and admission.** Upon a change in control, the successor entity may continue or assume outstanding awards, or substitute outstanding awards with appropriate adjustments to award terms to reflect the new underlying equity. If a continuation, assumption or substitution of outstanding awards does not occur, the awards shall terminate upon change in control, in which case the awards shall be settled or disposed of in accordance with the award agreements, or as the Company may otherwise determine in accordance with the Omnibus Incentive Plan.
- **Amendment.** The Omnibus Incentive Plan may be amended by the Company at any time, with shareholder approval to the extent required by applicable law or exchange rule. Outstanding grants may be amended by the Company at any time, except that no amendment may materially adversely affect an outstanding grant without the grantee's consent.
- **Termination.** The Omnibus Incentive Plan may be terminated by the Company at any time, subject to Section 409A of the US Internal Revenue Code. Outstanding grants shall not be materially adversely affected by a termination of the Omnibus Incentive Plan without the grantee's consent.

The stock options have a contractual term of ten years and vest three years after their issuance. The RSUs vest over a three-year period with one-third vesting each year after the grant date. The RSAs include voting and dividend rights prior to vesting. For information on our issuances of options, RSUs and shares of Common Stock (including RSAs) under the Omnibus Incentive Plan within the last three years, see "Item 10—Recent Sales of Unregistered Securities."

820,007 RSAs vested on December 31, 2023, 17,438 vested on July 1, 2024; 442,301 vested on October 2024; 35,490 vested on December 31, 2024; 686,299 vest in May 2025; and 1,711,153 RSAs vest over a remaining four-year period beginning with approximately 428,000 per year starting in October 2025, with 1,569,196 fully vested by October 2028 and 141,957 fully vested by December 2028.

In 2024, following our acquisition of Pagefield, we adopted a UK Sub-Plan to the Omnibus Incentive Plan, and a related form of stock option agreement. Under the UK Sub-Plan, only non-qualified stock options may be awarded. The terms and conditions of awards under the UK Sub-Plan (including, for example, vesting/forfeiture, exercise, and termination) are substantially the same as the terms and conditions of US options awarded under the Omnibus Incentive Plan, but include UK-specific provisions reflecting UK tax treatment. The first awards under the UK Sub-Plan were issued in 2024.

#### **PPHC 401(k) Plan**

Effective January 1, 2020, we established the Public Policy Holding Company, LLC 401(k) Plan ("PPHC 401(k) Plan"). The PPHC 401(k) Plan covers employees that reach certain age and length of service requirements. Eligible employees can contribute into the plans through salary deferral. The PPHC 401(k) Plan does not have any employer contribution and expenses are immaterial.

## Director Compensation

The following table and related footnotes show the compensation paid to our directors during the year ended December 31, 2024.

Name <sup>(1)</sup>	Fees earned or paid in cash (US\$)	All other compensation (US\$)	Total (US\$)
Simon Lee	120,000	2,000 <sup>(2)</sup>	122,000
William Chess	0	309,936 <sup>(3)</sup>	309,936
Benjamin Ginsberg	80,000	2,000 <sup>(2)</sup>	82,000
Kimberly White	80,000	2,000 <sup>(2)</sup>	82,000

(1) None of our executive directors received compensation for their service as directors.

(2) Comprises an incremental fee for services rendered.

(3) William Chess received no compensation for his service as a non-executive director during the year ended December 31, 2024. However, he did receive compensation from the Company for his service as Chief Administrative Officer for the period from January to July 2024 (comprising \$225,000 in salary and \$24,936 in RSAs issued under the Omnibus Incentive Plan) and for consulting services (comprising \$60,000 in fees) for the period from July to December 2024 (see “—Non-Executive Director Agreements—Consulting Agreement of William Chess (Non-Executive Director),” below).

### ***Consulting Agreement of William Chess (Non-Executive Director)***

Pursuant to an agreement with PPHC dated August 1, 2021 (effective beginning at the time of our IPO on December 16, 2021), Mr. Chess was employed by PPHC as Chief Financial Officer. On July 2, 2023, Mr. Chess was appointed Chief Administrative Officer. Effective July 1, 2024, Mr. Chess retired as our Chief Administrative Officer. Pursuant to an agreement with PPHC dated July 1, 2024, Mr. Chess serves as a consultant to us. The monthly fee payable by us to Mr. Chess as a consultant to the Company is \$10,000. With respect to the year ending December 31, 2024, during which Mr. Chess served as an executive and non-executive director of the Company, Mr. Chess received an annual salary of \$450,000. In addition, with respect to such year, Mr. Chess received awards under our Omnibus Incentive Plan consisting of (i) 17,438 restricted shares of our Common Stock, and (ii) 100,000 shares of our Common Stock as a result of previously issued RSUs vesting. Also, with respect to the year ending December 31, 2024, Mr. Chess purchased 25,000 shares of our Common Stock. Mr. Chess became a stockholder of the Company upon receiving shares in connection with the Company’s pre-IPO reorganization on December 10, 2021.

### ***Appointment Agreement of Simon Lee (Non-Executive Director and Chair)***

Pursuant to a letter of appointment with PPHC dated December 13, 2021, Mr. Lee serves as non-executive chair of our board of directors and as chair of the board’s audit committee. The annual fee payable by us to Mr. Lee is US \$120,000. With respect to the year ending December 31, 2024, Mr. Lee also received US \$2,000 in additional compensation. In May 2024, Mr. Lee transferred 204,824 shares of Company stock held in his name to his wife.

### ***Appointment Agreement of Kimberly White (Non-Executive Director)***

Pursuant to a letter of appointment with PPHC dated December 13, 2021, Ms. White serves as a non-executive director of PPHC and chair of the board’s remuneration committee. The annual fee payable by us to Ms. White is US \$80,000. With respect to the year ending December 31, 2024, Ms. White received US \$2,000 in additional compensation.

### ***Appointment Agreement of Benjamin Ginsberg***

Pursuant to a letter of appointment with PPHC dated December 13, 2021, Mr. Ginsberg serves as a non-executive director of the Company. The annual fee payable by us to Mr. Ginsberg is US \$80,000. With respect to the year ending December 31, 2024, Mr. Ginsberg also received US \$2,000 in additional compensation.

**Director Compensation Policy**

Under our remuneration committee terms of reference, the remuneration of our non-executive directors (including the chair of our board of directors) is determined in their appointment agreements and is a matter for our executive directors, and the remuneration of our executive directors is determined by the members of our remuneration committee (who are all non-executive directors). No director or member of management may be involved in any discussions as to their own remuneration.

**Compensation Committee Interlocks and Insider Participation**

During the year ended December 31, 2024, none of our executive officers served on the board of directors or compensation committee of a company that had an executive officer that served on our remuneration committee or board of directors. As of the date of this registration statement, no member of our board of directors is an executive officer of a company on whose board of directors or compensation committee one of our executive officers serves.

**Emerging Growth Company Status**

For so long as we are an emerging growth company, we will be exempt from certain requirements related to executive compensation, including the requirements to hold a nonbinding advisory vote on executive compensation and to provide information relating to the ratio of total compensation of our Chief Executive Officer to the median of the annual total compensation of all of our employees, each as required by the Investor Protection and Securities Reform Act of 2010, which is part of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

## ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

### Related Person Transactions

In addition to the compensation arrangements with our directors and executive officers described above in *Item 6: Executive Compensation*, we have entered into the following agreements with related persons since January 1, 2023:

- **AG Holdings, Inc. (formerly, The Alpine Group Inc.) Loan Agreement.** On December 13, 2021, we agreed to provide AG Holdings, Inc., which as of December 31, 2024 held 10.4% of our Common Stock, with a one-time loan in an amount up to US\$750,000 in connection with certain US federal, state and local income taxes incurred in connection with certain shares of our Common Stock sold by AG Holdings, Inc. in our IPO. On April 14, 2022, we advanced this loan in the agreed-upon amount of \$513,000. As of February 3, 2025, the amount outstanding and repayable (including principal and interest) was \$532,451.25. On February 3, 2025, we accepted 316,779 shares of our Common Stock, each at a price of £1.3515 (or approximately US\$1.6808 per share) (“Repayment Shares”), in full satisfaction of this amount. The Repayment Shares were cancelled effective February 4, 2025. As a result of the dissolution and liquidation process of AG Holdings, Inc., effective March 21, 2025, AG Holdings Inc. is no longer a significant shareholder of PPHC.
- **Alpine Group Partners, LLC 2023 Notes.** During November 2023, we, through Alpine Group Partners, LLC entered into term note agreements (“2023 Notes”) with certain employees of Alpine Group Partners, LLC, totaling \$1,750,000. Such employees also collectively beneficially owned at such time 100% of AG Holdings, Inc., which as of December 31, 2024 held 10.4% of our Common Stock. The original interest rate on the 2023 Notes was 7.5%. In November 2024, we, through Alpine Group Partners, LLC, agreed to reduce the interest rates on the 2023 Notes from 7.5% to 4.45%. The notes are payable in annual installments of \$350,000 plus all accrued and unpaid interest beginning on November 1, 2024 with a maturity date of November 1, 2028 or the effective date of the termination of employment of the respective employee borrower for any reason, if earlier than the maturity date. We, through Alpine Group Partners, LLC, waived the first annual payment of principal and interest that was due and payable on November 1, 2024. As of 31 December 2024, the 2023 Notes are recorded in our financial statements in “Notes receivable - related parties.”
- **Jeffrey Forbes Employment Agreement.** Pursuant to an agreement with Forbes Tate Partners dated August 2, 2021 (effective beginning at the time of our IPO on December 16, 2021), Mr. Forbes, who as of May 20, 2025, held more than 5% of our Common Stock, is employed by Forbes Tate Partners as Founding Partner. Mr. Forbes is eligible to receive an annual cash bonus in accordance with the terms of our annual bonus program, subject to the attainment of applicable performance targets to be set by our board of directors or its delegate. Mr. Forbes is also eligible to receive equity-based awards in accordance with the Company’s Omnibus Incentive Plan. With respect to the year ending December 31, 2024, Mr. Forbes received from Forbes Tate a salary of \$1,000,000 per annum. In addition, with respect to such year, Mr. Forbes received awards under our Omnibus Incentive Plan consisting of 75,000 restricted stock units. Mr. Forbes is a stockholder of the Company, having received shares in connection with our pre-IPO reorganization on December 10, 2021.
- **George Stewart Hall Employment Agreement.** As of May 20, 2025, Mr. Hall held more than 5% of our Common Stock. For information on Mr. Hall’s compensation in the years ended December 31, 2023 and 2024, and his employment agreement with the Company, see *“Item 6: Executive Compensation—Summary Compensation Table”* and *“Item 6: Executive Compensation—Employment Agreement—Employment Agreement of George Stewart Hall (Chief Executive Officer).”*
- **Daniel Tate Employment Agreement.** Pursuant to an agreement with Forbes Tate Partners dated August 2, 2021 (effective beginning at the time of our IPO on December 16, 2021), Mr. Tate, who as of May 20, 2025, held more than 5% of our Common Stock, is employed by Forbes Tate Partners as Founding Partner.

Mr. Tate is eligible to receive an annual cash bonus in accordance with the terms of our annual bonus program, subject to the attainment of applicable performance targets to be set by our board of directors or its delegate. Mr. Tate is also eligible to receive equity-based awards in accordance with the Company's Omnibus Incentive Plan. With respect to the year ending December 31, 2024, Mr. Tate received from Forbes Tate a salary of \$750,000 per annum. In addition, with respect to such year, Mr. Tate received awards under our Omnibus Incentive Plan consisting of 75,000 restricted stock units. Mr. Tate is a stockholder of the Company, having received shares in connection with our pre-IPO reorganization on December 10, 2021.

#### **Director Independence**

We expect to appoint one or more new directors to our board prior to the effectiveness of this registration statement. We expect that, following such appointments, by the time of the effectiveness of this registration statement, a majority of the directors on our board of directors will be independent in accordance with the criteria established by Nasdaq for independent board members.

We are also in the process of reconfiguring our audit committee and remuneration committee, and forming a nominating committee. We expect that by the time of the effectiveness of this registration statement, we will have an audit committee, remuneration committee and nominating committee, each comprised entirely of independent directors and otherwise compliant with Nasdaq rules, including the audit committee "financially literacy" and "audit committee financial expert" requirements under Nasdaq and SEC rules.

For additional detail on the independence of the members on each of our committees and their satisfaction of the required qualification standards for membership on those committees, see "*Item 5: Directors and Executive Officers—Our Board of Directors*" of this registration statement, which is incorporated herein by reference.

**ITEM 8. LEGAL PROCEEDINGS**

As of the date of this registration statement, we are not a party to any pending legal proceedings, nor are we aware of any civil proceeding or government authority contemplating any legal proceeding, and to our knowledge, no such proceedings by or against the Company have been threatened. We anticipate that we and our subsidiaries may from time to time in the future become subject to claims and legal proceedings arising in the ordinary course of business. It is not feasible to predict the outcome of any such proceedings, and we cannot assure that their ultimate disposition will not have a materially adverse effect on our business, financial condition, cash flows or results of operations.

## ITEM 9. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

### Market Information and Holders

As of May 20, 2025, the Company has approximately 122,734,191 shares of Common Stock outstanding held by approximately 184 record holders. There is no established public trading market for our Common Stock in the United States. Our Common Stock has been listed and admitted to trading on AIM since December 16, 2021 under the symbol "PPHC.L." We intend to also list our Common Stock on Nasdaq under the symbol "PPHC". We intend to maintain the admission for trading on AIM of our Common Stock. The table below sets forth the range of high and low bids for our Common Stock as quoted on AIM for each full quarterly period within the two most recent fiscal years:

*All figures in GBP*

	2024	
	Low	High
First Quarter (through March 31)	1.03	1.14
Second Quarter (through June 30)	1.14	1.40
Third Quarter (through September 30)	1.29	1.36
Fourth Quarter (through December 31)	1.29	1.40
	2023	
	Low	High
First Quarter (through March 31)	1.30	1.46
Second Quarter (through June 30)	1.29	1.40
Third Quarter (through September 30)	1.22	1.35
Fourth Quarter (through December 31)	1.09	1.25

As of May 20, 2025, 22,759,532 shares of Common Stock, representing 18.5% of our issued and outstanding Common Stock, are beneficially owned by our affiliates and are subject to certain transfer restrictions, including regarding the manner and volume of sales, under Rule 144 under the Securities Act ("Rule 144"). In addition, 3,938,638 shares of our Common Stock, representing 3.2% of our issued and outstanding Common Stock, are otherwise restricted securities as defined under Rule 144 and may only be sold pursuant to registration under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. 96,036,021 shares of our Common Stock, representing 78.3% of our issued and outstanding Common Stock, are freely transferable without registration under the Securities Act, however 40,812,498 shares (including 28,493,431 shares which would otherwise be freely transferable), representing 33.3% of our issued and outstanding Common Stock, are subject to restrictions on transfer under contractual vesting conditions.

### Registration Statement

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of our Common Stock reserved for future issuance under our Omnibus Incentive Plan. The registration statement will be effective immediately upon filing and will permit the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market, subject to compliance with the resale provisions of Rule 144.

### Dividends

We currently intend to pay out dividends at a payout ratio of approximately 30% of Adjusted Net Income. This policy is, however, subject to change. The declaration and payment of dividends by the Company is at the sole discretion of our board of directors, and there can be no assurance that any dividends will be paid in or for any given period.

### Securities authorized for issuance under equity compensation plans

The table below sets forth, as of December 31, 2024, the number of shares of our Common Stock to be issued upon exercise of all outstanding options and vesting of all outstanding RSUs, the weighted average exercise price of such options and the number of shares of Common Stock remaining available for issuance under our Omnibus Incentive Plan after the exercise of all outstanding options and vesting of all outstanding RSUs.

Our Omnibus Incentive Plan was approved by our shareholders in December 2021.

Plan category	Number of shares of Common Stock to be issued upon exercise of outstanding options and vesting of outstanding RSUs	Weighted-average exercise price of outstanding options (US\$) <sup>(2)</sup>	Number of shares of Common Stock remaining available for future issuance under the Omnibus Incentive Plan
Equity compensation plans approved by security holders	7,730,192 <sup>(1)</sup>	2.15	5,761,967
Equity compensation plans not approved by security holders	—	—	—
<b>Total</b>			

Notes to table:

- (1) Comprises 3,383,542 shares of Common Stock issuable upon exercise of all options outstanding as of December 31, 2024 and 4,346,650 shares of Common Stock issuable upon vesting of all RSUs outstanding as of December 31, 2024.
- (2) The contractual exercise price of all options outstanding is denominated in GBP, and the weighted average exercise price of outstanding options as of December 31, 2024 was £1.72. The US dollar value indicated has been calculated using a GBP to US dollar exchange rate as of December 31, 2024 of 1.00 to 1.25.

For a description of the terms of our Omnibus Incentive Plan, see “*Item 6: Executive Compensation—Omnibus Incentive Plan.*”

As of December 31, 2024, the total amount of shares authorized by our board of directors under the Omnibus Incentive Plan was 18,013,197 with a total of 5,761,967 available for issuance.

### Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is MUFG Corporate Markets.

#### **ITEM 10. RECENT SALES OF UNREGISTERED SECURITIES**

Since January 1, 2022, we have issued and sold the following securities of the Company, which were not registered under the Securities Act:

##### **2022**

On April 1, 2022, we issued 95,202 shares of Common Stock to the seller as initial consideration for the acquisition of the assets of Matt George Associates, LLC in reliance on the exemption provided in Rule 506(c) under the Securities Act.

On October 1, 2022, we issued 739,589 shares of Common Stock to the sellers as initial consideration for the acquisition of the assets of KP Public Affairs LLC in reliance on the exemption provided in Rule 506(c) under the Securities Act.

On November 1, 2022, we issued 487,301 shares of Common Stock to the seller as initial consideration for the acquisition of the assets of Engage LLC in reliance on the exemption provided in Rule 506(c) under the Securities Act.

During the year ended December 31, 2022, we issued (i) 704,682 options to our executive officers; and (ii) 2,090,177 options to other Group employees, in each case pursuant to the Omnibus Incentive Plan for services to the Group and in reliance on the exemption provided in Rule 701 under the Securities Act.

##### **2023**

On March 6, 2023, we issued 2,740,717 shares of Common Stock to the sellers as initial consideration for the acquisition of the assets of Multistate Associates, LLC in reliance on the exemption provided in Rule 506(b) under the Securities Act. .

On June 26, 2023, we issued 245,389 shares of Common Stock to the sellers as earnout consideration pursuant to the asset purchase agreement relating to the acquisition of the assets of KP Public Affairs LLC in reliance on the exemption provided in Rule 506(c) under the Securities Act.

During the year ended December 31, 2023, we issued (i) 988,801 shares of Common Stock, 715,000 RSUs and 25,000 SARs to our executive officers; and (ii) 2,020,150 shares of Common Stock, 652,000 options, 1,535,000 RSUs and 1,825,000 SARs to other Group employees, in each case pursuant to the Omnibus Incentive Plan for services to the Group and in reliance on the exemption provided in Rule 701 under the Securities Act..

##### **2024**

On February 1, 2024, we issued 62,637 shares of Common Stock to John Doherty as initial consideration for the acquisition of the assets of Doherty in reliance on the exemption provided in Rule 506(c) under the Securities Act. .

On March 20, 2024, we issued 107,457 shares of Common Stock to the sellers as earnout consideration under pursuant to the asset purchase agreement relating to the acquisition of the assets of Matt George Associates in reliance on the exemption provided in Rule 506(c) under the Securities Act.

On May 1, 2024, we issued 958,371 shares of Common Stock to the sellers as initial consideration for the acquisition of the assets of Lucas Public Affairs, LLC in reliance on the exemption provided in Rule 506(c) under the Securities Act.

On May 2, 2024, we issued 1,277,829 shares of Common Stock to the sellers as earnout consideration pursuant to the asset purchase agreement relating to the acquisition of the assets of Multistate Associates, LLC in reliance on the exemption provided in Rule 506(b) under the Securities Act.

On June 7, 2024, we issued 897,640 shares of Common Stock to the sellers as initial consideration for the acquisition of all outstanding share capital of Pagefield Communications Limited in reliance on the exemption provided in Rule 506(c) under the Securities Act.

During the year ended December 31, 2024, we issued (i) 477,662 shares of Common Stock (including 338,339 shares issued upon the vesting of previously issued RSUs) and 708,000 RSUs to our executive officers; and (ii) 1,034,425 shares of Common Stock (including 470,011 shares issued upon the vesting of previously issued RSUs), 425,000 options and 2,222,000 RSUs to other Group employees, in each case pursuant to the Omnibus Incentive Plan for services to the Group and in reliance on the exemption provided in Rule 701 under the Securities Act.

**2025**

On April 1, 2025, we issued 2,966,138 shares of common stock to the sellers as initial consideration for the acquisition of the assets of TrailRunner International, LLC in reliance on the exemption provided in Rule 506(c) under the Securities Act.

On April 14, 2025, we issued 10,000 shares to an employee upon the vesting of RSUs previously issued under the Omnibus Incentive Plan for services to the Group in reliance on the exemption provided in Rule 701 under the Securities Act.

## ITEM 11. DESCRIPTION OF REGISTRANT'S SECURITIES TO BE REGISTERED

### Description of Capital Stock

Our certificate of incorporation authorizes the Company to issue 1,100,000,000 shares of capital stock, 1,000,000,000 of which are designated Common Stock, and 100,000,000 of which are designated as shares of preferred stock, par value \$0.001 per share (the "Preferred Shares").

#### *Common Stock*

##### *Voting Rights*

Each holder of Common Stock is entitled to one vote for each share of Common Stock held by such holder. Our bylaws provide that the holders of at least one-third of the voting power of the shares of stock of the Company entitled to vote at the meeting, represented in person or by proxy, shall constitute a quorum for the transaction of business, unless otherwise required by law. Unless otherwise required by law or our certificate of incorporation, the bylaws provide that the election of directors shall be decided by a plurality of the votes cast by Shareholders present in person or represented by proxy at the meeting entitled to vote in the election. Unless otherwise provided by applicable law, our certificate of incorporation or bylaws, every matter other than the election of directors shall be decided by the affirmative vote of the holders of a majority of the voting power of the shares entitled to vote on such matter that are present in person or represented by proxy at the meeting and are voted for or against the matter.

##### *Issue of Common Stock*

We may issue shares of Common Stock from time to time for such consideration as may be fixed by our board of directors in accordance with our certificate of incorporation and the Delaware Corporation Law, subject to shareholder preemptive rights described below.

#### *Preferred Shares*

Preferred Shares may be issued in one or more series from time to time, with each such series to consist of such number of Preferred Shares and to have such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated in the resolution or resolutions providing for the issuance of such series adopted by our board of directors and included in a certificate of designation, filed pursuant to the Delaware Corporation Law. The board of directors is expressly vested with the authority, to the fullest provided under the Delaware Corporation Law, to adopt any resolutions relating to Preferred Shares. Notwithstanding the foregoing, for so long as the Common Stock is admitted to trading on AIM or listed on the London Stock Exchange, the Company may not issue Preferred Shares unless approved in a general meeting by shareholders at which a quorum is present by 75% of the votes cast on the matter. This vote requirement will no longer apply at such time as the Company no longer has any shares of its capital stock listed or admitted to trading on AIM or listed on the London Stock Exchange. Our board of directors currently has no intention of establishing any class or series of Preferred Shares, but may in the future depending on financing needs.

#### *Dividends*

Holders of Common Stock are entitled to receive dividends, when, as and if authorized and declared by our board of directors out of funds legally available for such purposes. Dividends may be paid in cash, in property or in Common Stock or Preferred Shares, unless otherwise provided by applicable law or our certificate of incorporation.

#### *Rights upon liquidation, dissolution or winding-up*

In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Company, the holders of Common Stock shall be entitled to receive all the assets of the Company available for distribution to its shareholders, ratably in proportion to the number of shares of Common Stock held by them, subject to the preferential rights of any Preferred Shares then outstanding.

### ***Preemptive rights***

Our certificate of incorporation provides that, subject to the Delaware Corporation Law and so long as our Common Stock admitted to trading on AIM or listed on the London Stock Exchange and unless otherwise determined in a general meeting by shareholders at which a quorum is present by 75% of the votes cast on the matter, then the Company shall not issue any new Company securities (the "New Securities") unless it has first made an offer to each shareholder (unless waived by such shareholder) to sell to the shareholders a pro rata share of such New Securities on substantially the same or more favorable terms (the "Preemptive Rights"). The Preemptive Rights are subject to such exclusions or other arrangements as our board of directors may deem necessary or expedient to deal with fractional share entitlements, rounding of shares or other legal restrictions under the laws of, or the requirements of any regulatory authority or stock exchange or otherwise in any jurisdiction. The Preemptive Rights shall not apply to certain issuances of New Securities set forth in our certificate of incorporation, including (among others) the authorization and/or issuance for cash of New Securities provided that the nominal amount of such shares or the shares into which such New Securities may be converted, during any 12-month period, does not exceed, in aggregate, one-third of the outstanding shares of Common Stock as of the first day of such 12-month period and the allotment of shares in connection with the purchase or acquisition of the stock or assets of another person, or in connection with the merger or consolidation of the Company with another person. These provisions of our certificate of incorporation will no longer apply at such time as the Company no longer has any shares of its capital stock admitted to trading on the AIM or listed on the London Stock Exchange.

### ***Meetings of Shareholders***

Our bylaws provide for an annual or special meeting of shareholders called in accordance with the bylaws. Our bylaws provide that an annual meeting of the shareholders shall be called for the election of directors and for the transaction of such other business as may properly come before the meeting. The certificate of incorporation provides that a special meeting of the shareholders for any purpose or purposes may be called at any time by our board of directors acting pursuant to a resolution adopted by the board. Our certificate of incorporation provides that shareholders may not act by consent without a meeting.

Our bylaws provide for notice to shareholders to be in writing (mailed to the shareholders or delivered personally) or by electronic transmission in accordance with applicable law and the bylaws. Unless otherwise required by applicable law or our certificate of incorporation, notice of meetings of shareholders shall be given not less than fourteen, nor more than 60, days before the date of the meeting to each shareholder entitled to vote at such meeting. Notice of any meeting need not be given to any shareholders who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the shareholders attend for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any shareholders so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice had been given.

Shareholders of record may vote at any meeting by appointing a proxy in accordance with applicable laws and our bylaws.

### ***Directors***

#### ***Powers of Directors***

Subject to the provisions of our certificate of incorporation, our bylaws and applicable law, the business and property of the Company shall be managed by our board of directors.

#### ***Number of Directors***

Our certificate of incorporation provides that the number of directors constituting our board of directors will be the then-authorized number of directors fixed from time to time by a resolution adopted by the board of directors.

### *Classified Board*

Our bylaws state that at the annual meeting of our shareholders, directors shall be elected as set forth in our certificate of incorporation, which requires that our board of directors shall be classified, with respect to the term for which they severally hold office, into three classes, designated "Class I," "Class II" and "Class III," respectively. Each class shall consist, as nearly as reasonably possible, of one-third of the total number of directors constituting the board. The initial Class I directors served for an initial term expiring at the initial annual meeting of stockholders held on June 1, 2022 (and such Class I Directors were re-elected for a term expiring on the third succeeding annual meeting of stockholders after such initial annual meeting), the initial Class II Directors served for an initial term expiring at the annual meeting of stockholders held on May 18, 2023 (and such Class II Directors were re-elected for a term expiring on the third succeeding annual meeting of stockholders after such meeting), and the initial Class III Directors served for an initial term expiring at the annual meeting of stockholders held on May 9, 2024 (and such Class III Directors were re-elected for a term expiring on the third succeeding annual meeting of stockholders after such meeting). At the annual meeting of stockholders held on May 15, 2025, the Class I Directors were re-elected for a term expiring on the third succeeding annual meeting of stockholders after such meeting. Since the annual meeting of stockholders held on May 18, 2023, our board of directors has been increased by two persons, from six directors to eight directors.

### *Director terms and removal*

Each director shall hold office until such director's successor is duly elected and qualified, or, if earlier, such director's death, resignation or removal. Any director may resign at any time upon written notice to the Company or by any electronic transmission permitted in our bylaws. No director may be removed except for cause and only by the affirmative vote of the holders of a majority of the voting power of the then-outstanding capital stock then entitled to vote at an election of directors voting together as a single class. To the fullest extent permitted by law, at least 28 days prior to any meeting of shareholders at which any director be removed from office with cause, written notice of such proposed removal and the alleged grounds thereof shall be sent to the director whose removal will be considered at the meeting. No decrease in the authorized number of directors constituting the board shall shorten the term of any incumbent director.

### *Vacancies*

Any vacancy occurring in the board of directors for any cause, and any newly created directorship resulting from any increase in the authorized number of directors, shall be filled only by the affirmative vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director, and not by the shareholders. Any director so elected shall hold office for a term expiring at the annual meeting of shareholders at which the term of office of the class to which the director has been assigned expires and until such director's successor is elected and qualified, or, if earlier, such director's death, resignation or removal.

### *Board Action without a Meeting*

Our bylaws provide that, any action required or permitted to be taken at any meeting of our board of directors or of any committee thereof may be taken without a meeting by the consent in writing or by electronic transmission of all the directors or members of the committee as the case may be (such unanimous consents to be filed with the minutes of proceedings of the board of directors).

### *Meetings of Directors*

Our bylaws provide that regular meetings of the Board may be held at any place or time that our board of directors determines. Special meetings of our board of directors may be called by the chairperson of the board, the president, or a majority of the directors then in office with at least 24 hours' notice to each director or if the motion is sent by mail, it must be deposited in the mail at least four days before the time of the holding of the meeting. A majority of the board shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors at a meeting of the board where a quorum is present is regarded as an act of the board except as otherwise required by our bylaws, applicable law or our certificate of incorporation.

#### *Board Committees*

Pursuant to our bylaws and the Delaware Corporation Law, our board of directors may designate one or more committees, each committee to consist of one or more of the directors of the Company.

#### *Disclosure of significant shareholdings*

Our certificate of incorporation provides that a person must notify the us when the person acquires an aggregate nominal value of the Company's securities which carry voting rights in which such person's interest is equal to or more than 3% of such securities and of any subsequent relevant change to their holdings (being a 1% incremental increase or decrease while their holdings are above the 3% threshold) so that these disclosures can be properly notified to AIM by the Company. These provisions of our certificate of incorporation will no longer apply at such time as the Company no longer has any shares of its capital stock admitted to trading on the AIM or listed on the London Stock Exchange.

#### *Amendments to Certificate of Incorporation and Bylaws*

Our certificate of incorporation may be amended in the manner prescribed by the Delaware Corporation Law provided that other than certain ministerial amendments to the certificate of incorporation that shall not require a vote of shareholders, the affirmative vote of the shareholders of a majority of the voting power of all of the then-outstanding shares of capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class, shall be required. Our certificate of incorporation provides that our board of directors shall have the power to adopt, amend or repeal our bylaws. Any adoption, amendment or repeal of our bylaws by our board of directors shall require the approval of a majority of the board. The shareholders shall also have power to adopt, amend or repeal our bylaws provided that in addition to any vote of the shareholders of the Company required by law or by the certificate of incorporation, the affirmative vote of the shareholders of a majority of the voting power of all of the then-outstanding shares of capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal any provision of the bylaws.

#### *Takeovers*

Our certificate of incorporation provides that, subject to the Delaware Corporation Law, the terms of any Certificate of Designation relating to Preferred Shares, the Securities Act, the Exchange Act (if the Company has a class of equity securities registers under the Exchange Act) and any applicable SEC rules and regulations, if a person (i) acquires shares of capital stock which (taken together with securities held or acquired by persons acting in concert with such person) represent 30% or more of the voting rights attaching to shares of capital stock, or (ii) (together with persons acting in concert with such person) holds not less than 30%, but not more than 50%, of the voting rights attaching to the shares of capital stock and such person, or any person acting in concert with such person, acquires additional securities, which will increase such person's percentage holding of such voting rights, then any such person (and any persons acting in concert with such person) must make a written cash offer to the holders of all of shares of capital stock to acquire the outstanding shares of capital stock subject to the terms and conditions set forth in our certificate of incorporation. These requirements are subject to certain exceptions set forth in our certificate of incorporation, including (among others) an affirmative waiver by the Board with regard to any specific shareholder. These provisions of the certificate of incorporation will no longer apply at such time as the Company no longer has any shares of its capital stock listed or admitted to trading on the AIM or the London Stock Exchange.

We have elected not to be governed by Section 203 of the Delaware Corporation Law.

## **ITEM 12. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

### **Indemnification of Directors**

Under Delaware law, a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

Delaware law further provides that a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification may be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court deems proper.

To the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding of the types referred to above, or in defense of any claim, issue or matter therein, Delaware law provides that such person will be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Our certificate of incorporation provides that a director (to the fullest extent permitted by law) will not be personally liable to the Company or its shareholders for monetary damages for breach of fiduciary duty as a director. Our certificate of incorporation also provides that, to the fullest extent permitted by Delaware Corporation Law and other applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Company in excess of the indemnification and advancement otherwise permitted by Section 145 of the Delaware Corporation Law.

Prior to the effectiveness of this registration statement, we may enter into individual indemnification agreements with each of our directors and executive officers that require us to provide indemnification and advancement of expenses in accordance with our certificate of incorporation and bylaws and that include certain additional provisions, including a requirement that we pay or reimburse the payment of attorneys' fees and expenses in connection with any action by a director or executive officer to enforce the provisions of his or her indemnification agreements against us.

We also maintain directors and officers liability insurance that provides coverage with respect to liabilities asserted against our directors and executive officers incurred in such capacity, or arising out of his or her status as

such. This insurance may in certain cases provide coverage with respect to liabilities for which the Company would not have the power to indemnify its directors and executive officers under Delaware law.

#### **Limitation on Liability of Directors**

Delaware law permits a corporation to adopt a provision in its certificate of incorporation eliminating or limiting the personal liability of a director, but not an officer, in his or her capacity as such, to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except that such provision may not limit the liability of a director for (i) any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) unlawful payment of dividends or stock purchases or redemptions or (iv) any transaction from which the director derived an improper personal benefit.

Our bylaws provide that each person who was or is made a party to, or is threatened to be made a party to, or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that he or she is or was a director or officer of the Company or was serving as a director, officer or trustee of another entity at the Company's request shall be indemnified and held harmless by the Company to the fullest extent permitted by the Delaware Corporation Law against all expenses, liability and loss reasonably incurred or suffered by such indemnitee. Notwithstanding the foregoing, the Company will indemnify any such indemnified person seeking indemnity in connection with a Proceeding (or part thereof) initiated by such indemnified person only if the Proceeding was authorized by our board of directors. Our bylaws also require the Company to pay all expenses (including attorneys' fees) incurred by an indemnified person in defending any such Proceeding as they are incurred in advance of its final disposition, subject to limitations and repayment as provided in our bylaws.

**ITEM 13. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The financial statements required to be included in this registration statement appear beginning on pageF-1.

#### **ITEM 14. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

Upon the recommendation of our audit committee, we engaged Forvis Mazars, LLP on July 13, 2024 as the Company's independent external (statutory) auditors for the year ending December 31, 2024. In connection with this appointment, in July 2024, upon the recommendation of our audit committee, we terminated the engagement of MN Blum, LLC ("MN Blum") as our component auditor and terminated the engagement of Crowe U.K. LLP ("Crowe UK") as our statutory auditor for the year ended December 31, 2024.

Neither MN Blum nor Crowe UK prepared reports on our financial statements for the year ended December 31, 2024.

No report by MN Blum or Crowe UK on our financial statements for the years ended December 31, 2022 or 2023, or for any subsequent interim period, contained an adverse opinion or a disclaimer of opinion, or was qualified or modified as to uncertainty, audit scope or accounting principles, and there were no disagreements with respect to any such period with MN Blum or Crowe UK on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreement(s), if not resolved to the satisfaction of MN Blum or Crowe UK, respectively, would have caused it to make reference to the subject matter of the disagreement(s) in connection with its report for such period.

There were no "reportable events" as defined in Item 304(a)(1)(v) of Regulation S-K for such years and subsequent interim period through July 13, 2024.

In accordance with Item 304(a)(3) of Regulation S-K, we have provided MN Blum and Crowe UK with a copy of this Item 14 of the registration statement and requested that each of MN Blum and Crowe UK furnish the Company with a letter addressed to the SEC stating whether or not it agrees with the statements made herein.

During the fiscal years ended December 31, 2023 and 2022, and during the interim period through July 13, 2024, neither the Company nor anyone on its behalf consulted with Forvis Mazars, LLP regarding either (1) the application of accounting principles to a specific transaction, completed or proposed, or the type of audit opinion that might be rendered on the Company's consolidated financial statements, and neither a written report nor oral advice was provided to the Company that Forvis Mazars, LLP concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue, or (2) any matter that was either the subject of a "disagreement" (as defined in Item 304(a)(1)(iv) of Regulation S-K) or a "reportable event" (as described in Item 304(a)(1)(v) of Regulation S-K).

**ITEM 15. FINANCIAL STATEMENTS AND EXHIBITS**

**(a) Financial Statements**

The financial statements required to be included in this registration statement appear beginning on pageF-1.

**(b) Exhibits**

The following documents are filed as exhibits hereto:

<b>EXHIBIT NUMBER</b>	<b>DESCRIPTION OF EXHIBIT</b>
3.1	Certificate of Incorporation of Public Policy Holding Company, Inc.
3.2	Bylaws of Public Policy Holding Company, Inc.
16.1*	Letter of MN Blum LLC regarding change in certifying accountant
16.2*	Letter of Crowe U.K. LLP regarding change in certifying accountant
21.1	Subsidiaries of Public Policy Holding Company, Inc.

\* To be filed by amendment.

**SIGNATURE**

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

By: \_\_\_\_\_

Name:

Title:

Date: [ ]

## INDEX TO FINANCIAL STATEMENTS

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## **Report of Independent Registered Public Accounting Firm**

To the Shareholders, Board of Directors, and Audit Committee of Public Policy Holding Company, Inc.

### ***Opinion on the Consolidated Financial Statements***

We have audited the accompanying consolidated balance sheet of Public Policy Holding Company, Inc. and Subsidiaries (the “Company”) as of December 31, 2024, the related consolidated statements of operations and comprehensive loss, stockholders’ equity, and cash flows for the year ended December 31, 2024, and the related notes (collectively referred to as the “financial statements”). In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit.

We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Forvis Mazars, LLP

We have served as the Company’s auditor since 2024.

**Tysons, Virginia**  
**June 6, 2025**



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of

**Public Policy Holding Company, Inc. and Subsidiaries**

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheet of **Public Policy Holding Company, Inc. and Subsidiaries** (the Company) as of December 31, 2023, and the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, and the results of its operations and its cash flows for the year ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ MN Blum LLC

We have served as the Company's auditor since 2017.

Rockville, Maryland

May 14, 2025

**PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES**

**Consolidated Balance Sheets**

	As of December 31,	
	2024	2023
<b>Assets</b>		
Current assets:		
Cash	\$ 14,535,943	\$ 14,341,376
Contract receivables, net	18,284,530	14,063,469
Amounts due from related parties	—	1,054,231
Notes receivable - related parties, current portion	863,000	350,000
Income taxes receivable	3,185,120	975,050
Prepaid post-combination compensation, current portion	6,070,073	3,426,318
Prepaid expenses and other current assets	2,726,320	2,694,149
<b>Total current assets</b>	<b>45,664,986</b>	<b>36,904,593</b>
Property and equipment, net	750,620	801,355
Notes receivable - related parties, long term	1,050,000	1,913,000
Operating lease right of use asset	18,428,307	21,434,360
Goodwill	64,308,106	47,909,832
Other intangible assets, net	32,143,666	26,869,331
Deferred income tax asset	11,037,500	7,737,200
Prepaid post-combination compensation, long term	888,184	3,954,034
Other long-term assets	189,085	162,473
<b>Total Assets</b>	<b>\$ 174,460,454</b>	<b>\$ 147,686,178</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued expenses	20,044,302	18,593,014
Amounts owed to related parties	556,396	—
Deferred revenue	3,149,957	2,197,220
Operating lease liability, current portion	4,826,715	4,181,155
Contingent consideration, current portion	2,092,597	1,444,110
Other liability, current portion	1,134,675	534,540
Notes payable, current portion, net	6,031,204	3,370,421
<b>Total current liabilities</b>	<b>37,835,846</b>	<b>30,320,460</b>
Notes payable, long term, net	26,014,133	7,570,951
Contingent consideration, long term	8,803,464	5,475,515
Other liability, long term	3,744,925	1,585,294
Operating lease liability, long term	16,807,668	20,665,349
<b>Total liabilities</b>	<b>\$ 93,206,036</b>	<b>\$ 65,617,569</b>
Stockholders' equity:		
Common stock, \$0.001 par value, 1,000,000,000 shares authorized, 120,087,982 and 115,271,961 shares issued and outstanding, respectively	114,002	109,542
Additional paid-in capital	197,397,482	156,884,144
Accumulated deficit	(115,721,104)	(74,925,077)
Accumulated other comprehensive loss	(535,962)	—
<b>Total stockholders' equity</b>	<b>81,254,418</b>	<b>82,068,609</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 174,460,454</b>	<b>\$ 147,686,178</b>

*The accompanying notes to the consolidated financial statements are an integral part of these statements.*

**PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES**

**Consolidated Statements of Operations and Comprehensive Loss**

	<b>For the years ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Revenue	\$ 149,563,307	\$ 134,985,822
Operating expenses:		
Salaries and other personnel costs	126,640,247	111,566,811
Office and other direct costs	5,650,855	5,063,856
Cost of services	132,291,102	116,630,667
General and administrative expense	26,836,517	23,442,922
Mergers and acquisitions expense	2,433,833	308,160
Depreciation and amortization expense	4,244,727	3,529,263
Change in fair value of contingent consideration	1,909,750	1,711,235
Total operating expenses	167,715,929	145,622,247
Loss from operations	(18,152,622)	(10,636,425)
Gain on bargain purchase	2,463,927	4,835,777
Interest income	176,537	17,955
Interest expense	(1,899,986)	(958,779)
Net loss before income taxes	(17,412,144)	(6,741,472)
Income tax expense	6,544,800	7,502,800
Net loss	\$ (23,956,944)	\$ (14,244,272)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.21)	\$ (0.13)
Weighted average common shares outstanding:		
Basic and diluted	111,826,822	108,606,133
<b>Comprehensive loss:</b>		
Net loss	\$ (23,956,944)	\$ (14,244,272)
Foreign currency translation loss	(535,962)	—
<b>Total comprehensive loss</b>	<b>\$ (24,492,906)</b>	<b>\$ (14,244,272)</b>

*The accompanying notes to the consolidated financial statements are an integral part of these statements.*

PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Stockholders' Equity

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
<b>Balance as of December 31, 2022</b>	108,024,388	\$ 108,024	\$ 120,713,626	\$ (44,836,562)	\$ —	\$ 75,985,088
Issuance of common stock for acquisition	767,401	768	1,231,232	—	—	1,232,000
Forfeiture of unvested restricted stock	(69,576)	(70)	—	70	—	—
Vesting of restricted stock awards	820,007	820	—	(820)	—	—
Dividends	—	—	—	(15,843,493)	—	(15,843,493)
Long term incentive program charges	—	—	2,506,000	—	—	2,506,000
Share-based accounting charge retained pre-IPO shares	—	—	30,904,000	—	—	30,904,000
Post-combination compensation charge-shares	—	—	1,529,286	—	—	1,529,286
Net loss	—	—	—	(14,244,272)	—	(14,244,272)
<b>Balance as of December 31, 2023</b>	109,542,220	\$ 109,542	\$ 156,884,144	\$ (74,925,077)	\$ —	\$ 82,068,609
Long term incentive program charges	—	—	3,784,000	—	—	3,784,000
Dividends	—	—	—	(16,835,962)	—	(16,835,962)
Vesting of stock issued from Multistate acquisition	936,571	937	—	(937)	—	—
Vesting of stock issued from KP Public Affairs acquisition	492,488	492	—	(492)	—	—
Vesting of stock issued from Engage acquisition	324,868	325	—	(325)	—	—
Vesting of stock issued to consultant	63,468	63	—	(63)	—	—
Vesting of restricted stock units and restricted stock awards	1,303,579	1,304	—	(1,304)	—	—
Common stock issued to Multistate as settlement of contingent consideration	441,432	441	690,559	—	—	691,000
Issuance of common stock for acquisition	897,640	898	1,442,422	—	—	1,443,320
Post-combination compensation charge-shares	—	—	2,792,757	—	—	2,792,757
Share-based accounting charge retained pre-IPO shares	—	—	31,803,600	—	—	31,803,600
Foreign currency translation loss	—	—	—	—	(535,962)	(535,962)
Net loss	—	—	—	(23,956,944)	—	(23,956,944)
<b>Balance as of December 31, 2024</b>	114,002,266	\$ 114,002	\$ 197,397,482	\$ (115,721,104)	\$ (535,962)	\$ 81,254,418

The accompanying notes to the consolidated financial statements are an integral part of these statements.

PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	For the years ended December 31,	
	2024	2023
<b>Cash flows from operating activities:</b>		
Net loss	\$ (23,956,944)	\$ (14,244,272)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	136,121	119,688
Amortization expense - intangibles	4,671,178	3,878,386
Amortization of right of use assets	4,070,635	3,725,388
Amortization of prepaid post-combination compensation	5,061,895	3,081,000
Accretion of other liability	3,742,313	1,684,774
Amortization of debt discount	181,596	125,203
Provision for deferred income taxes	(1,294,100)	(367,400)
Share-based accounting charge retained pre-IPO shares	31,803,600	30,904,000
Long-term incentive program charges	4,162,000	2,648,000
Post-combination compensation charge-shares	2,792,757	1,529,286
Change in fair value of contingent consideration	1,909,750	1,711,235
Gain on bargain purchase	(2,463,927)	(4,835,777)
(Increase) decrease in:		
Accounts receivable, net	(3,117,809)	(2,478,202)
Prepaid post-combination expense	(4,639,800)	(9,504,000)
Prepaid expenses and other assets	572,613	(570,601)
Increase (decrease) in:		
Accounts payable and accrued expenses	(2,052,883)	6,114,690
Income taxes payable/receivable	(2,218,740)	(5,192,760)
Deferred revenue	958,600	(5,345,073)
Contingent consideration	(268,563)	(42,600)
Operating lease liability	(4,276,703)	(3,044,269)
Other liability	(981,750)	(1,821,600)
Transactions with members/related parties	1,610,627	2,159,517
<b>Net cash provided by operating activities</b>	<b>16,402,466</b>	<b>10,234,613</b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	(55,854)	(232,730)
Proceeds issued for notes receivable - related parties	—	(1,750,000)
Proceeds received for notes receivable - related parties	350,000	—
Cash paid for acquisitions, net of cash acquired	(19,783,750)	(8,096,000)
<b>Net cash used in investing activities</b>	<b>(19,489,604)</b>	<b>(10,078,730)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from notes payable	25,000,000	14,000,000
Payment of debt issuance costs	(214,992)	(450,729)
Proceeds from line of credit	—	1,000,000
Payment of line of credit	—	(1,000,000)
Principal payment of notes payable	(3,862,639)	(2,943,741)
Payment of contingent consideration	(749,687)	(1,779,000)
Dividends	(16,835,962)	(15,843,493)
<b>Net cash provided by (used in) financing activities</b>	<b>3,336,720</b>	<b>(7,016,963)</b>
Effect of exchange rate changes on cash and cash equivalents	(55,015)	—
Net increase (decrease) in cash and cash equivalents	194,567	(6,861,080)
Cash and cash equivalents as of beginning of period	14,341,376	21,202,456
<b>Cash and cash equivalents as of end of period</b>	<b>\$ 14,535,943</b>	<b>\$ 14,341,376</b>

**PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES**

	For the years ended December 31,	
	2024	2023
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid for interest	\$ 1,718,390	\$ 833,576
Cash paid for income taxes	10,048,970	12,427,539
Right of use assets obtained with lease liabilities	1,064,582	8,858,106
Contingent consideration issued for acquisitions	3,798,077	2,784,990
Common stock issued for acquisitions	1,443,320	1,232,000
Increase in deferred revenue and other assets from acquisition of Multistate, Inc.	—	4,681,404
Stock issued for settlement of contingent consideration	691,000	—

*The accompanying notes to the consolidated financial statements are an integral part of these statements.*

Notes to Consolidated Financial Statements  
December 31, 2024 and 2023

**NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

***Organization and basis of presentation***

Public Policy Holding Company, Inc. ("PPHC-Inc.") was incorporated on February 4, 2021. From PPHC-Inc.'s incorporation until December 10, 2021 (the "Conversion Date"), all of the issued and outstanding shares of stock of PPHC-Inc. were owned by Public Policy Holding Company, LLC ("PPHC-LLC"), which (i) was organized as a Delaware limited liability company on July 1, 2014, and (ii) owned certain wholly-owned operating subsidiaries, all organized as Delaware limited liability companies (the "Subsidiaries," and collectively with PPHC-Inc., the "Company"). On the Conversion Date, PPHC-LLC contributed and assigned substantially all of its assets and liabilities (including all of the Subsidiaries, but excluding certain specified assets and liabilities) to PPHC-Inc. in exchange for the issuance by PPHC-Inc. of 100,000,000 shares (the "Contribution Shares") of Common Stock, par value \$0.001 per share ("Common Stock") of PPHC-Inc. Pursuant to a formula approved by the Executive Board and General Board of PPHC-LLC (the "Waterfall"), PPHC-LLC then liquidated and distributed the Contribution Shares to each of PPHC-LLC's owners who (other than The Alpine Group, Inc.), in turn, distributed such shares to their respective owners in accordance with the Waterfall (collectively, the "Company Conversion").

The Company provides consulting services in the areas of Government Relations, Public Affairs and Diversified Services, primarily in the US. With the acquisition of Pagefield Communications Limited ("Pagefield"), the Company has expanded its capabilities to the United Kingdom and parts of Europe. As of December 31, 2024, the Company conducts its business through ten individual member companies.

The Company has prepared the accompanying consolidated financial statements in conformity with generally accepted accounting principles in the United States of America ("GAAP"). Such consolidated financial statements reflect all adjustments that are, in management's opinion, necessary, and are presented in United States Dollars ("USD"). All intercompany transactions and balances have been eliminated in consolidation.

The functional currency of Pagefield is the British pound sterling ("GBP"). The assets and liabilities of Pagefield are translated to USD at period end exchange rates, while statements of operations accounts are translated at the average exchange rate during the period. Stockholders' equity accounts are translated at their historical exchange rate. The effects of foreign currency translation adjustments are included in other comprehensive loss, which is a component of accumulated other comprehensive loss in stockholders' equity.

***Principles of consolidation***

The accompanying consolidated financial statements include the accounts of Public Policy Holding Company Inc. and its domestic and international controlled subsidiaries that are not considered variable interest entities, the Company does not have entities meeting the definition of variable interest entities. Intercompany balances and transactions have been eliminated in consolidation.

***Revenue recognition***

The Company generates the majority of its revenue by providing consulting services through fixed-fee arrangements related to Government Relations, Public Affairs and Diversified Services. The Company's general practice is to establish a contract with a client with a fixed monthly payment at the beginning of each month for the month's service to be performed.

Revenue is recognized when control of services provided are transferred to customers and in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services using the following steps: 1) identify the contract, 2) identify the performance obligations, 3) determine the transaction price, 4) allocate the transaction price to the performance obligations in the contract, and 5) recognize revenue as or when the Company satisfies the performance obligations.

A significant portion of the Company's contracts with customers have termination clauses that give the customer the right to terminate the contract without cause with one month's notice without any substantial penalty. As such, the Company believes such contracts should be treated as a month-to-month contract as this reflects the

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non-cancelable period of performance. The parties do not have enforceable rights and obligations beyond the month (or months) of services already performed. The Company's contracts generally do not contain a material right.

Most of the consulting service contracts are based on one of the following types of contract arrangements:

Fixed-fee arrangements, ("Retainer" and "Subscription Services") require the client to pay a fixed fee in exchange for a predetermined set of professional services. Retainer contracts generally comprise of a single stand-ready performance obligation for consulting services. The Company recognizes Retainer revenue over time by measuring the progress toward complete satisfaction of the performance obligation. Subscription Services generally comprise of a single performance obligation recognized over-time.

Additional services include items such as 1) advertisement placement and management, 2) video production, 3) website development and 4) research services, in which third-party companies may be engaged to achieve specific business objectives. These services are either in a separate contract or within the fixed-fee consulting contract, in which the Company usually receives a markup on the cost incurred by the Company. Generally these contracts are less than 12 months in length. The Company recognizes revenues earned to date in an amount that is probable or unlikely to reverse and by applying the proportional performance method when the criteria for revenue recognition is met. Any out-of-pocket administrative expenses incurred are billed at cost.

In determining the method and amount of revenue to recognize, the Company has to make judgments and estimates. Specifically, complex arrangements with nonstandard terms and conditions may require management's judgment in interpreting the contract to determine the appropriate accounting, including whether the promised services specified in an arrangement are distinct performance obligations and should be accounted for separately, and how to allocate the transaction price, including any variable consideration, to the separate performance obligations. When a contract contains multiple performance obligations, the Company allocates the transaction price to each performance obligation based on its estimate of the stand-alone selling price. Other judgments include determining whether performance obligations are satisfied over-time or at a point-in-time and the selection of the method to measure progress towards completion.

Certain services provided by the Company include the utilization of a third-party in the delivery of those services. These services are primarily related to the production of an advertising campaign or media buying services. The Company has determined that it acts as an agent and is solely arranging for the third-parties to provide services to the customer. Specifically, the Company does not control the specified services before transferring those services to the customer, is not primarily responsible for the performance of the third-party services, nor can the Company redirect those services to fulfill any other contracts. The Company does not have discretion in establishing the third-party pricing in its contracts with customers. For these performance obligations for which the Company acts as an agent, the Company records revenue as the net amount of the gross billings less amounts remitted to the third-party.

The following table provides disaggregated revenue by revenue type for the years ended December 31, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Government relations revenue	\$ 102,463,869	\$ 95,476,619
Public affairs revenue	36,405,430	32,256,518
Diversified services revenue	10,694,008	7,252,685
Total revenue	<u>\$ 149,563,307</u>	<u>\$ 134,985,822</u>

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The following table provides information about receivables, contract assets and contract liabilities from contracts with customers as of December 31:

	2024	2023
Accounts receivable	\$ 19,161,501	\$ 14,248,444
Unbilled receivables	225,073	609,163
Allowance for credit losses	(1,102,044)	(794,138)
Total contract receivables, net	\$ 18,284,530	\$ 14,063,469
Contract liabilities (deferred revenue)	\$ 3,149,957	\$ 2,197,220

Contract liabilities relate to advance consideration received from customers under the terms of the Company's contracts primarily related to retainer fees and reimbursements of third-party expenses, both of which are generally recognized shortly after billing. Deferred revenue of approximately \$3,150,000 and \$2,197,000 from December 31, 2024 and 2023 is expected to be recognized as revenue in 2025 and 2024, respectively.

The following table summarized information about the activity in the allowance for expected credit losses as follows:

Balance at December 31, 2022	\$ 595,000
Provision for Credit Losses	796,435
Write-off	(597,297)
Balance at December 31, 2023	\$ 794,138
Provision for Credit Losses	1,023,816
Write-off	(715,910)
Balance at December 31, 2024	\$ 1,102,044

***Cost of Services***

Cost of services primarily consists of salaries, bonuses, benefits, share-based award expense, amortization of developed software, and other personnel costs that are directly attributable to the Company's client engagements, as well as real estate lease expense of the Company's member companies.

***Cash and cash equivalents***

The Company considers all cash investments with original maturities of three months or less to be cash equivalents. At times, the Company maintains cash accounts that exceed federally insured limits, but management does not believe that this results in any significant credit risk.

***Contract receivables***

The Company provides for an allowance for credit losses; it is management's best estimate of possible losses based on historical experience and specific allowances for known troubled accounts, if needed. Accounts are generally considered past due after the contracted payment terms, which are generally net 30 day terms. All accounts or portions thereof that are deemed to be uncollectible or that require an excessive collection cost are written off to the allowance for credit losses. As of December 31, 2024 and 2023 the balance of the allowance for credit losses approximated \$1,102,000 and \$794,000.

***Leases***

The Company determines if a contract is a leasing arrangement at inception. Operating lease assets represent the Company's right to control the use of an identified asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized on the consolidated balance sheets at the commencement date based on the present value of lease payments over the lease term. The Company uses the incremental borrowing rate on the commencement date in

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determining the present value of its lease payments. The Company recognizes lease expense for its operating leases on a straight-line basis over the lease term. The Company has elected the practical expedient to not separate lease and non-lease components. The Company's non-lease components generally comprise of common area maintenance services and other services based items embedded in lease contracts. Lease expense of the Company's member companies is recorded to cost of services while the lease expense of the Company's corporate function is recorded to general and administrative expense in the consolidated statement of operations.

The Company leases office space and equipment under non-cancelable operating leases, which may include renewal or termination options that are reasonably certain of exercise. Most leases include one or more options to renew. The exercise of lease renewal options is at the Company's sole discretion. Certain of the Company's lease agreements include rental payments that are adjusted periodically for inflation. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Leases with an initial term of 12 months or less are not recorded on the consolidated balance sheets and are expensed on a straight-line basis.

***Property and equipment***

Property and equipment consist of furniture, equipment and leasehold improvements and is carried at cost less accumulated depreciation. Depreciation is provided generally on a straight-line method over the estimated useful lives of the related assets ranging from 5 to 15 years.

***Business combinations***

Business combinations are accounted for using the acquisition method which requires that the assets acquired and liabilities assumed be recorded as of the date of the acquisition at their respective fair values with limited exceptions. Assets acquired and liabilities assumed in a business combination that arise from contingencies are generally recognized at fair value. If fair value cannot be determined, the asset or liability is recognized if probable and reasonably estimable; if these criteria are not met, no asset or liability is recognized. Transaction costs are expensed as incurred. The operating results of the acquired business are reflected in the Company's consolidated financial statements after the date of acquisition.

***Goodwill and indefinite-lived intangible assets***

Goodwill represents the excess of the purchase price in a business combination over the fair value of the net tangible and intangible assets acquired and the indefinite-lived intangible assets which consists of trademarks. Goodwill and indefinite-lived intangible assets are not amortized but tested for impairment annually and whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable.

The Company assesses goodwill for impairment at the reporting unit level. A reporting unit is an operating segment or a business one level below that operating segment if discrete financial information is available and regularly reviewed by the chief operating decision maker ("CODM").

The Company tests its goodwill and indefinite-lived intangible assets for impairment annually as of the end of the fourth quarter. For the annual impairment test, the Company has the option of assessing qualitative factors to determine whether it is more likely than not that the carrying amount of a reporting unit exceeds its fair value or performing a quantitative goodwill impairment test. Qualitative factors considered in the assessment include industry and market considerations, the competitive environment, overall financial performance, changing cost factors such as labor costs, and other factors specific to each reporting unit such as change in management or key personnel. Based on the results of the Company's qualitative assessment, there was no goodwill of indefinite-lived intangible asset impairment for the years ended December 31, 2024 and 2023.

***Other intangible assets***

The Company's definite-lived intangible assets consist of customer relationships, developed technology and non-compete agreements that have been acquired through various acquisitions. The Company amortizes these assets over their estimated useful lives.

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Long-lived assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for an amount by which the carrying amount of the asset exceeds the fair value of the asset. The Company has not recorded any impairment charges related to long-lived assets for the years ended December 31, 2024 and 2023.

***Accounts payable and accrued expenses***

Accounts payable and accrued expenses consist of the following as of December 31:

	2024	2023
Accounts payable	\$ 4,753,171	\$ 4,348,493
Bonus payable	9,926,791	12,389,037
Other accrued expenses	5,364,340	1,855,484
Total	<u>\$ 20,044,302</u>	<u>\$ 18,593,014</u>

***Marketing and advertising costs***

The Company expenses marketing and advertising costs as incurred. Marketing and advertising expense for the years ended December 31, 2024 and 2023 was approximately \$534,000 and \$216,000, respectively.

***Income taxes***

The Company utilizes the asset and liability method in the Company's accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. The Company records a valuation allowance against deferred tax assets when realization of the tax benefit is uncertain.

A valuation allowance is recorded, if necessary, to reduce net deferred taxes to their realizable values if management believes it is more likely than not that the net deferred tax assets will not be realized.

The Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates are evaluated on an ongoing basis and are based on historical experience, current conditions and various other assumptions believed to be reasonable under the circumstances. These estimates require the use of assumptions about future performance, which are uncertain at the time of estimation. As of December 31, 2024, the effects of global macroeconomic and geopolitical uncertainty on the Company's business, results of operations and financial condition continue to evolve. As a result, many of the Company's estimates and assumptions continue to require increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, the Company's estimates may change materially in the future.

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**Share-based compensation**

The Company accounts for its share-based compensation using the fair value method which requires the Company to estimate the grant-date fair value of its share-based awards and amortize this fair value to expense over the requisite service period or vesting term. For restricted and nonvested stock awards, the grant-date fair value is based upon the market price of the Company's common stock on the date of the grant. When estimating the grant date fair value of share-based awards, the Company considers whether an adjustment is required to the closing price or the expected volatility of its common stock on the date of grant when the Company is in possession of material nonpublic information. For stock options, the grant-date fair value is based on the Black-Scholes Option Pricing Model. For stock appreciation rights ("SARs") recorded as a liability, the Company adjusts the value of the SARs based on the fair value at each reporting date, which is calculated based on the Black-Scholes Option Pricing Model. The Company records forfeitures as they occur.

Additionally, and as more fully described in Note 6, the Company records a share-based expense relating to certain shares that were retained by executives of the Company after the Company's initial public offering on the AIM of the London Stock Exchange in 2021. The retained shares vest in equal installments over five years, provided the executive remains continuously employed.

**Segment information**

GAAP requires segmentation based on an entity's internal organization and reporting of revenue and operating income based upon internal accounting methods commonly referred to as the "management approach." Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the CODM, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's CODM is its Chief Executive Officer. The Company's operations are conducted in three reportable segments which comprise of aggregated operating segments. Operating segments are aggregated if they have similar economic characteristics and aggregating them would be consistent with the objective and basic principles of Topic 280. These reportable segments consist of Government Relations Consulting, Public Affairs Consulting and Diversified Services. See Note 10 for more information regarding the Company's segment disclosures.

**Basic and diluted earnings (loss) per share**

The Company computes earnings (loss) per share in accordance with ASC 260, *Earnings per Share*, which requires presentation of both basic and diluted earnings per share on the face of the consolidated statements of operations and other comprehensive loss. Basic earnings (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of outstanding shares during the period. Diluted earnings (loss) per share gives effect to all dilutive potential common shares outstanding during the period. Due to their anti-dilutive effect, the calculation of diluted net loss per share for the years ended December 31, 2024 and 2023 does not include the common stock equivalent shares below.

The following table includes the outstanding number of shares as of year end December 31:

	2024	2023
Common shares outstanding	114,002,266	109,542,220
Nonvested shares outstanding	6,085,716	5,729,741
Legally outstanding shares	120,087,982	115,271,961
Stock options and RSUs outstanding	7,730,192	5,314,056
Total fully diluted shares	127,818,174	120,586,017

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The following table includes the weighted average shares outstanding for each respective year as of December 31:

	2024	2023
Common shares, weighted average	111,826,822	108,606,133
Nonvested shares, weighted average	6,390,351	3,990,578
Legally outstanding shares, weighted average	118,217,173	112,596,711
Stock options and RSUs, weighted average	6,574,713	4,096,048
Total fully diluted, weighted average	124,791,886	116,692,759

***Fair value measurements***

The Company applies the fair value measurement guidance for financial assets and liabilities that are required to be measured at fair value and for non-financial assets and liabilities that are not required to be measured at fair value on a recurring basis, including goodwill, right-of-use lease assets and other identifiable intangible assets. See Note 9 of the Notes included herein for additional information regarding fair value measurements.

***Contingent consideration***

The Company estimates and records the acquisition date fair value of contingent consideration as part of purchase price consideration for acquisitions. Subsequent to the acquisition date, at each reporting period, the Company remeasures the fair value of contingent consideration and recognizes any change in fair value in the consolidated statements of operations and other comprehensive loss. The estimate of the fair value of contingent consideration requires very subjective assumptions to be made of future operating results, discount rates and probabilities assigned to various potential operating result scenarios. Future revisions to these assumptions could materially change the estimate of the fair value of contingent consideration and, therefore, materially affect the Company's future financial results. The contingent consideration liability is to be settled through a combination of cash and shares of common stock based on each respective purchase agreement and the amount ultimately paid is dependent on the achievement of certain future operating results.

***Other liability***

Other liability consists of certain future payments that the Company could be required to make if various operating targets are achieved from the acquisitions of KP LLC, MultiState Inc, LPA, and Pagefield (see Note 2 and Note 6). The Company records post-combination business expense over the vesting or claw-back period applicable for these future payments on a straight-line basis with the amount accrued recorded as other liability. The future earn-out payments that have vesting or claw-back rights tied to employment will reduce the amount of the other liability when paid.

***Derivatives***

The Company analyzes contingent consideration, other liabilities and any other financial liabilities of the company in accordance with the guidance under ASC Topic 480, *Distinguishing Liabilities from Equity* to determine the appropriate classification in equity or liabilities. The Company continually assesses whether or not financial liabilities meet the definition of a derivative liability under ASC 815 *Derivatives and Hedging*. In the years ended December 31, 2023 and 2024, the Company has recorded derivative liabilities arising from contingent consideration and post-combination compensation obligations, See Note 2 Acquisitions and Note 9 Fair value Measurement for further detail.

***New accounting pronouncements***

***Recently Adopted Accounting Standards***

During 2023, the Company adopted Accounting Standards Update ("ASU") No. 2016-13 ("ASU 2016-13"), *Financial Instruments-Credit Losses*. ASU 2016-13 requires organizations to measure all expected credit losses for

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instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This guidance is applicable for the Company's contract receivables. However, the adoption of ASU 2016-13 did not have a material impact to the Company's valuation of its contract receivables.

During November 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-07, *Segment Reporting (Topic 280)*. ASU No. 2023-07 was issued to improve the disclosures about a public entity's reportable segments and requires more detailed information about a reportable segment's expenses. The primary focus of ASU No. 2023-07 is enhanced disclosures about significant segment expenses. The guidance is applicable and effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company has adopted the provisions of ASU No. 2023-07 for the fiscal year ended December 31, 2024.

*Accounting Standards Not Yet Adopted*

During November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The guidance requires public companies to disclose, in the notes to financial statements, specified information about certain costs and expenses at each interim and annual reporting period. This guidance is effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The Company expects to adopt this guidance in its fiscal year beginning January 1, 2027. The Company is evaluating the potential impact of this guidance on its consolidated financial statement disclosures.

During March 2024, the FASB issued ASU 2024-01, *Compensation - Stock Compensation (Topic 718)*, which provides guidance on the scope application of profits interest and similar awards. This guidance is effective for public business entities for annual reporting periods beginning after December 15, 2024, and interim reporting periods beginning after December 15, 2025. The Company is evaluating the potential impact of this guidance on its consolidated financial statement disclosures.

During December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands annual disclosures in an entity's income tax rate reconciliation table and requires annual disclosures regarding cash taxes paid both in the US (federal, state and local) and foreign jurisdictions. The amendments in this ASU are effective for annual periods beginning after December 15, 2024, although early adoptions is permitted. The Company expects the adoption of this ASU will have no impact on the Company's financial position or results of operations, but will result in additional disclosures.

**NOTE 2. ACQUISITIONS**

***KP Public Affairs LLC:***

On October 1, 2022, the Company entered into an Asset Purchase Agreement ("KP Agreement") and acquired certain assets and assumed certain liabilities of KP Public Affairs LLC ("Seller" or "KP LLC") through the creation of a wholly-owned subsidiary, KP Public Affairs, LLC ("KP"). At the closing of the transaction, the Company paid the Seller cash in the amount of \$10,306,800 and issued 739,589 shares of the Company's common stock to Seller at an aggregate fair value of \$1,145,200. There are additional contingent payments that the Seller can earn in the future depending on certain operating results that are achieved. The total amount of consideration that the Company could be required to pay to the Seller in the amount of cash and stock is \$35,000,000. The acquisition of KP LLC was accounted for as a business combination.

***Engage LLC:***

On November 1, 2022, the Company (through its wholly-owned subsidiary, Forbes Tate Partners, LLC) entered into an Asset Purchase Agreement and acquired certain assets and assumed certain liabilities of Engage LLC ("Engage"). At the closing of the transaction, the Company paid Engage cash in the amount of \$1,925,000 ("Engage Cash Payment") and issued 487,301 shares of the Company's common stock ("Engage Restricted Shares") at an aggregate fair value of \$825,000. The acquisition of Engage was accounted for as a business combination.

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A portion of the Engage Cash Payment was designated to certain owners ("Junior Principal(s)") of Engage and the remaining of the Engage Cash Payment was designated to the other owners ("Senior Principal(s)") of Engage. In addition, all of the Engage Restricted Shares were issued to the Senior Principals.

*MultiState Associates, Inc.:*

On March 1, 2023, the Company entered into an Asset Purchase Agreement ("MultiState Agreement") and acquired certain assets and assumed certain liabilities of MultiState Associates, Inc. ("MS Seller" or "MultiState Inc") through the creation of a wholly-owned subsidiary, MultiState Associates, LLC ("MS LLC"). At the closing of the transaction, the Company paid the Seller cash in the amount of \$17,600,000 ("MS Closing Cash Payment") and issued 2,740,717 shares of the Company's common stock ("MS Closing Share Payment") to Seller at an aggregate fair value of \$4,400,000, of which, 1,973,316 shares have vesting requirements ("MS Closing Vesting Shares").

In addition, there are additional contingent payments that the MS Seller can earn in the future depending on certain operating results that are achieved. The total amount of consideration that the Company could be required to pay to the MS Seller in the amount of cash and stock ("MS Seller Shares") is \$70,000,000. The equity component of the contingent payments is 50%. During the year ended December 31, 2024, the Company paid the MS Seller \$2,000,000 of cash ("MS First Interim Cash Payment") and \$2,000,000 of common stock ("MS First Interim Share Payment"). Approximately \$1,709,000 of the cash and stock paid was applied against the contingent liability, \$982,000 of the cash was applied against the other liability and prepaid post-combination expense and the remaining \$1,309,000 worth of common stock issued ("MS First Interim Vesting Shares") will be recorded as post-combination expense and equity over the required vesting terms for the shares issued.

The MultiState Agreement provides certain forfeiture provisions applicable to any future cash or share payments owed, which generally require certain owners of MS LLC ("MS Owner" or "MS Owners") to remain employed by the Company for a certain period of time to receive the full amount of those future payments. There are certain exceptions to the forfeiture provisions if termination of employment occurs under certain permitted events ("MS Acceleration Event") as defined in the MultiState Agreement. In addition, under certain circumstances outlined in the MultiState Agreement, the Company can claw back a portion of certain payments previously paid if a MS Owner is not employed by the Company as of certain future dates.

If a MS Owner's employment is terminated as a result of a MS Acceleration Event, a percentage of the unvested MS Seller Shares (representing such MS Owner's ownership percentage in MS Seller) shall become fully vested. The MS Seller Shares issued have some restrictions, but they also have certain legal rights consistent with the Company's other shares of Common Stock outstanding, including certain voting rights and the rights to dividends paid by the Company. In addition, the MultiState Agreement contains certain provisions requiring the forfeiture of a percentage of all cash and shares received by MS Seller if certain restrictive covenants are breached by a MS Owner.

*Reasons for the acquisition*

The Company acquired MultiState Inc to expand the scope of its consulting services provided in respect of federal, state and local governments. Specifically, MultiState Inc provides lobbying compliance, legislative activity tracking, lobbying brokerage and other consulting services to Fortune 500 companies, non-profit organizations, elected officials and leading advocacy and trade associations throughout the United States.

*Purchase consideration*

The Company determined that certain consideration provided to MS Sellers in the MultiState Agreement does not qualify as purchase consideration in accordance with the guidance of ASC 805. The Company determined that the purchase consideration consists of the amount of cash and share payments owed to MS Sellers that are not

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subject to a vesting or claw back provision that is directly linked to the continued employment of MS Sellers. The total purchase consideration consisted of the following amounts:

MS Closing Cash Payment	\$	8,096,000
MS Closing Share Payment		1,232,000
Contingent consideration		2,784,990
Total purchase consideration	\$	<u>12,112,990</u>

The contingent consideration consists of the estimated fair value of future payments that are not subject to vesting or claw back provisions tied to continued employment.

*Purchase price allocation*

The allocation of the purchase consideration resulted in the following amounts being allocated to the assets acquired and liabilities assumed as of the purchase date of March 1, 2023, based on their respective estimated fair values is summarized below:

Receivable from MS Sellers	\$	4,490,227
Other current assets		191,177
Right of use assets		61,976
Tradename		2,202,000
Noncompete agreements		525,000
Customer relationships		5,507,600
Developed technology		3,938,000
Deferred income tax asset		4,743,079
Deferred revenue		(4,681,404)
Lease liability		(309,888)
Net assets acquired		<u>16,667,767</u>
Less estimated purchase price		(12,112,990)
Gain on bargain purchase	\$	<u>4,554,777</u>

The fair value of customer relationships was determined using the income approach, which requires management to estimate a number of factors for each reporting unit, including projected future operating results, anticipating future cash flows and discount rates. The fair value of the developed technology was determined using the relief from royalty method, which requires management to estimate a number of factors, including the estimated future revenues expected to be generated from the technology and a hypothetical royalty rate attributable to the technology. The fair value of noncompete agreements was determined using an income approach method, which requires management to estimate a number of factors related to the expected future cash flows of MS LLC and the potential impact and probability of competition, assuming such noncompete agreements were not in place. The primary factors that contributed to the gain on bargain purchase recognized from the MS LLC acquisition include the requirement for the key employees of MS LLC to stay employees of the Company for a significant period of time.

The weighted average amortization period for customer relationships is seven years, developed technology is seven years and noncompete agreements is three years.

The fair value of the contingent consideration was performed using Monte Carlo simulations to estimate the achievement and amount of certain future operating results. The Monte Carlo simulations utilize estimates including; expected volatility of future operating results, discount rates applicable to future results, and expected growth rates.

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The table below provides the significant inputs to the calculation of the contingent consideration as of the acquisition date:

Significant Input	Range
Discount rate for credit risk and time value	5.7 % to 7.0 %
Discount rate for future profit after tax	15.9% to 16.6%
Expected volatility of future annual profit after tax	36.0% to 38.0%
Forecasted growth rate	3.0% to 14.4%

***Lucas Public Affairs, Inc. ("LPA"):***

On May 1, 2024, the Company entered into an Asset Purchase Agreement ("LPA Agreement") and acquired certain assets and assumed certain liabilities of Lucas Public Affairs, Inc. ("Seller" or "LPA") through the creation of a wholly-owned subsidiary, Lucas Public Affairs, LLC ("LPA LLC"). At the closing of the transaction, the Company paid the Seller cash in the amount of \$6,000,000 ("LPA Closing Cash Payment") and issued 958,371 shares of the Company's common stock ("LPA Closing Share Payment") to Seller at an aggregate fair value of approximately \$1,500,000, of which, all the shares have vesting requirements ("LPA Vesting Shares").

In addition, there are additional contingent payments that the Seller can earn in the future depending on certain operating results that are achieved. The total additional amount of consideration that the Company could be required to pay to the Seller is \$9,800,000 of cash and \$4,700,000 of stock ("LPA Seller Shares") for total additional consideration of up to \$14,500,000. This combined with the closing payments already made could require total payments of up to \$22,000,000 to the Seller.

The LPA Agreement provides certain forfeiture provisions applicable to any future cash or share payments owed, which generally require the owners of the Seller ("LPA Owner") to remain employed by the Company for a certain period of time to receive the full amount of those future payments, although there are certain exceptions.

*Reasons for the acquisition*

The Company acquired LPA to expand the scope of its consulting services provided in respect of federal, state and local governments. Specifically, LPA provides significant complementary services to companies and organizations doing business in the state of California.

*Purchase consideration*

The Company determined that certain consideration provided to LPA in the LPA Agreement does not qualify as purchase consideration in accordance with the guidance of ASC 805. The Company determined that the purchase consideration consists of the amount of cash and share payments owed to LPA that are not subject to a vesting or claw back provision that is directly linked to the continued employment of LPA Owners. The total purchase consideration consisted of the following amounts:

LPA Closing Cash Payment	\$ 1,560,000
Contingent consideration	377,073
<b>Total purchase consideration</b>	<b>\$ 1,937,073</b>

The LPA Closing Cash Payment and contingent consideration allocated as purchase consideration consists of the amount of the LPA Closing Cash Payment and estimated fair value of future payments that are not subject to vesting or claw back provisions tied to continued employment.

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*Purchase price allocation*

The allocation of the purchase consideration resulted in the following amounts being allocated to the assets acquired and liabilities assumed as of the purchase date of May 1, 2024 based on their respective estimated fair values is summarized below:

Customer relationships	\$	1,150,900
Right of use assets		283,656
Tradename		1,021,400
Noncompete agreements		158,700
Deferred income tax asset		1,962,000
Lease liability		(283,656)
Net assets acquired		<u>4,293,000</u>
Less estimated purchase price		<u>(1,937,073)</u>
Gain on bargain purchase	\$	<u>2,355,927</u>

The fair value of customer relationships was determined using the income approach, which requires management to estimate a number of factors for each reporting unit, including projected future operating results, anticipating future cash flows and discount rates. The fair value of noncompete agreements was determined using an income approach method, which requires management to estimate a number of factors related to the expected future cash flows of LPA LLC and the potential impact and probability of competition, assuming such noncompete agreements were not in place. The primary factors that contributed to the gain on bargain purchase recognized from the LPA acquisition include the requirement for the key employees of LPA to stay employees of the Company for a significant period of time. The weighted average amortization period for customer relationships is seven years, and noncompete agreements is five years.

The fair value of the contingent consideration was performed using Monte Carlo simulations to estimate the achievement and amount of certain future operating results. The Monte Carlo simulations utilize estimates including; expected volatility of future operating results, discount rates applicable to future results, and expected growth rates. The table below provides the significant inputs to the calculation of the contingent consideration as of the acquisition date:

Significant Input	Range
Discount rate for credit risk and time value	5.2 % to 5.4 %
Discount rate for future profit after tax	15.7% to 16.4%
Expected volatility of future annual profit after tax	35.0% to 38.0%
Forecasted growth rate	9.5% to 13.4%

***Pagefield Communications Limited ("Pagefield"):***

On June 7, 2024, the Company entered into a Share Purchase Agreement ("Pagefield Agreement") and acquired the stock of Pagefield Communications Limited ("Pagefield") from the owners of Pagefield ("Seller" or "Sellers") through the creation of a wholly-owned subsidiary, PPHC International Ltd. ("PPHC LTD"). At the closing of the transaction, the Company paid the Sellers cash in the amount of 14,992,868 GBP, which was approximately \$19,209,000 USD ("Pagefield Closing Cash Payment") and issued 897,640 shares of the Company's common stock ("Pagefield Closing Share Payment") to Sellers at an aggregate fair value of approximately \$1,443,000.

In addition, there are additional contingent payments that the Sellers can earn in the future depending on certain operating results that are achieved. The total additional amount of consideration that the Company could be required to pay to the Sellers is up to 13,800,000 GBP, which includes up to 8,800,000 GBP subject to future vesting and clawback provisions. The additional contingent consideration combined with the closing payments already made could require total payments of up to 30,000,000 GBP to the Sellers.

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The Pagefield Agreement provides certain vesting and forfeiture provisions applicable to a portion of the future cash or share payments owed. These provisions are specifically designated toward the continued employment of one of the Sellers ("Restricted Owner"). The Restricted Owner is required to remain employed by the Company for a certain period of time to receive the full amount of those future payments. There are certain exceptions to the forfeiture provisions if termination of employment occurs under certain permitted events ("Pagefield Acceleration Event") as defined in the Pagefield Agreement. If the Restricted Owner's employment is terminated as a result of a Pagefield Acceleration Event, a percentage of the unvested Restricted Owner Shares shall become fully vested.

*Reasons for the acquisition*

The Company acquired Pagefield to expand the geographic scope of its consulting services. Specifically, Pagefield provides services to companies and organizations doing business in the United Kingdom ("UK") while interacting with the UK government.

*Purchase consideration*

The Company determined that certain consideration provided to Pagefield in the Pagefield Agreement does not qualify as purchase consideration in accordance with the guidance of ASC 805. The Company determined that the purchase consideration consists of the amount of cash and share payments owed to Pagefield that are not subject to a vesting or claw back provision that is directly linked to the continued employment of one of the Sellers. The total purchase consideration consisted of the following amounts:

Pagefield Closing Cash Payment	\$ 19,208,862
Pagefield Closing Share Payment	1,443,320
Contingent consideration	3,403,441
Total purchase consideration	<u>\$ 24,055,623</u>

The contingent consideration allocated as purchase consideration consists of the amount of the estimated fair value of the projected future payments that are not subject to vesting or claw back provisions tied to continued employment.

*Purchase price allocation*

The allocation of the purchase consideration resulted in the following amounts being allocated to the assets acquired and liabilities assumed as of the purchase date of June 7, 2024, based on their respective estimated fair values is summarized below:

Cash acquired	\$ 1,055,312
Contract receivables	1,128,390
Other current assets	2,259,782
Property and equipment	30,584
Customer relationships	5,183,735
Tradename	1,548,971
Noncompete agreements	954,494
Accounts payable and accrued expenses	(2,720,673)
Other current liabilities	(463,118)
Deferred income tax liability	(1,701,049)
Net assets acquired	<u>7,276,428</u>
Less estimated purchase price	(24,055,623)
Goodwill <sup>(1)</sup>	<u>\$ (16,779,195)</u>

(1) Based on the exchange rate in effect at the acquisition date

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The fair value of customer relationships was determined using the income approach, which requires management to estimate a number of factors for each reporting unit, including projected future operating results and discount rates. The fair value of noncompete agreements was determined using an income approach method, which requires management to estimate a number of factors related to the expected future cash flows of Pagefield and the potential impact and probability of competition, assuming such noncompete agreements were not in place. The weighted average amortization period for customer relationships is seven years, and noncompete agreements is three years.

The fair value of the contingent consideration was performed using Monte Carlo simulations to estimate the achievement and amount of certain future operating results. The Monte Carlo simulations utilize estimates including; expected volatility of future operating results, discount rates applicable to future results, and expected growth rates. The table below provides the significant inputs to the calculation of the contingent consideration as of the acquisition date:

Significant Input	Range
Discount rate for credit risk and time value	5.3% to 5.9%
Discount rate for future profit after tax	12.0% to 12.4%
Expected volatility of future annual profit after tax	34.0% to 37.0%
Forecasted growth rate	9.1% to 9.5%

**Supplemental Unaudited Pro-Forma Financial Information**

The unaudited pro forma information for the periods set forth below gives effect to the business acquisitions that occurred during the year ended December 31, 2024 (Pagefield and Lucas), as if they occurred as of January 1, 2023. The pro forma financial information is presented for informational purposes only and is not necessarily indicative of the results of operations that actually would have been achieved had the acquisition been consummated as of that time. Pro-forma revenue and net income amounts are as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Revenue	\$ 12,759,463	\$ 14,898,135
Net income	\$ 3,995,621	\$ 1,835,054

Revenue attributable to LPA and Pagefield, included within the consolidated statements of operations for the year ended December 31, 2024, was \$7,771,241. Net income attributable to Lucas and Pagefield, included within the consolidated statements of operations for the year ended December 31, 2024, was \$2,938,240.

**Other Business Acquisitions**

On February 1, 2024, the Company entered into an Asset Purchase Agreement ("Doherty Agreement") and acquired certain assets and assumed certain liabilities of John Francis Doherty and Doherty Law Group (collectively, the "Seller" or "Doherty"). At the closing of the transaction, the Company paid the Seller cash in the amount of \$270,000 ("Doherty Closing Cash Payment") and issued 62,637 shares of the Company's common stock ("Doherty Closing Share Payment") to Seller at an aggregate fair value of approximately \$90,000, of which, all the shares have vesting requirements. In addition, there are additional contingent payments that the Seller can earn in the future depending on certain operating results that are achieved, this combined with the closing payments already made could require total payments of up to \$750,000 to the Seller. The acquisition of Doherty was accounted for as a business combination.

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*Acquisition and post-combination compensation payments:*

The cash payments (including post-combination compensation) made for the acquisitions at their respective closing date and subsequent earn-out payments made are as follows:

	Year Ended December 31,	
	2024	2023
MS Closing Cash Payment	\$ —	\$ 17,600,000
KP True-Up Cash Payment	—	3,643,200
LPA Closing Cash Payment	6,000,000	—
Pagefield Closing Cash Payment	19,208,862	—
MS First Interim Cash Payment	2,000,000	—
Doherty Closing Cash Payment	270,000	—
Total acquisition payments	27,478,862	21,243,200
Pagefield cash acquired	(1,055,312)	—
Total cash payments, net of cash acquired	\$ 26,423,550	\$ 21,243,200

*Acquisition and post-combination compensation payments:*

These cash payments (including post-combination compensation) are included in the consolidated statements of cash flows as follows:

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities	\$ 5,890,113	\$ 11,368,200
Cash flows from investing activities	19,783,750	8,096,000
Cash flows from financing activities	749,687	1,779,000
Total cash payments, net of cash acquired	\$ 26,423,550	\$ 21,243,200

The stock payments (including post-combination compensation) made for the acquisitions at their closing date and subsequent earn-out payments made consisted of the following:

	Year Ended December 31,	
	2024	2023
MS Closing Share Payment	\$ —	\$ 4,400,000
KP True-Up Share Payment	—	404,800
LPA Closing Share Payment	1,500,000	—
Pagefield Closing Share Payment	1,441,524	—
MS First Interim Share Payment	2,000,000	—
Doherty Closing Share Payment	90,000	—
Total share payments	\$ 5,031,524	\$ 4,804,800

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NOTE 3. GOODWILL AND INTANGIBLE ASSETS

*Goodwill*

Goodwill is an indefinite lived asset with balances as follows as of December 31:

Balance at December 31, 2023	\$ 47,909,832
Acquired goodwill	16,779,195
Foreign currency translation	(380,921)
Balance at December 31, 2024	<u>\$ 64,308,106</u>

As of December 31, 2024 and 2023, there have been no impairments to goodwill. During 2024, goodwill increased by approximately \$16,779,000 as a result of the acquisition of Pagefield (see Note 2).

*Intangible assets:*

The Company's intangible assets consist of customer relationship assets, developed technology and noncompete agreements acquired through various acquisitions, which are definite lived assets and are amortized over their estimated useful lives. In addition, intangible assets consist of trade names, which are indefinite lived assets and evaluated for impairment on an annual basis or more frequently as needed.

The following presents the Company's gross and net amounts of intangible assets, other than goodwill, as reported on the consolidated balance sheets as of December 31, 2024 and 2023:

December 31, 2024				
	Weighted Average Useful Life (in Years)	Gross Book Value	Accumulated Amortization	Net Book Value
Customer relationships	7.2	\$ 33,556,240	\$ (15,277,159)	\$ 18,279,081
Developed technology	7.0	3,938,000	(1,031,382)	2,906,618
Noncompete agreements	3.9	2,069,904	(767,109)	1,302,795
Total definite lived assets		39,564,144	(17,075,650)	22,488,494
Tradenames		9,655,172	—	9,655,172
Total intangible assets		<u>\$ 49,219,316</u>	<u>\$ (17,075,650)</u>	<u>\$ 32,143,666</u>

December 31, 2023				
	Weighted Average Useful Life (in Years)	Gross Book Value	Accumulated Amortization	Net Book Value
Customer relationships	7.2	\$ 27,104,400	\$ (11,431,887)	\$ 15,672,513
Developed technology	7.0	3,938,000	(468,810)	3,469,190
Noncompete agreements	4.0	971,000	(363,372)	607,628
Total definite lived assets		32,013,400	(12,264,069)	19,749,331
Tradenames		7,120,000	—	7,120,000
Total intangible assets		<u>\$ 39,133,400</u>	<u>\$ (12,264,069)</u>	<u>\$ 26,869,331</u>

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Amortization expense for customer relationship, noncompete agreement and developed technology assets approximated \$4,671,000, and \$3,878,000 for the years ended December 31, 2024 and 2023, respectively. The approximate estimated future amortization expense for the next five years is as follows:

Year	Amortization
2025	\$ 5,143,000
2026	4,984,000
2027	4,752,000
2028	3,194,000
2029	2,936,000
Thereafter	1,479,000
Total	\$ 22,488,000

**NOTE 4. LEASES**

The Company leases office space and equipment under non-cancelable operating leases, which may include renewal or termination options that are reasonably certain of exercise. Most leases include one or more options to renew. The exercise of lease renewal options is at the Company's sole discretion. Certain of the Company's lease agreements include rental payments that are adjusted periodically for inflation. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants. The Company subleases office space to third parties under separate sublease agreements, which are generally month-to-month leases.

The Company uses the incremental borrowing rate on the commencement date in determining the present value of its lease payments. The discount rate used to measure the lease asset and liability is determined at the beginning of the lease term using the rate implicit in the lease, if readily determinable, or using the Company's collateralized credit-adjusted borrowing rate.

The following table presents lease costs and other quantitative information for each of the years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
Operating lease cost (cost resulting from lease payments)	5,322,444	4,898,528
Variable lease cost (cost excluded from lease payments)	434,587	428,064
Sublease income	(336,812)	(410,879)
Net lease cost	5,420,219	4,915,713
Cash paid for amounts included in the measurement of lease liabilities	5,467,595	3,968,498
Weighted average lease term - operating leases	4.5 years	5.4 years
Weighted average discount rate - operating leases	5.3 %	5.3 %

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Future payments of operating leases as of December 31, 2024 are listed in the table below:

Year	Amount
2025	\$ 5,781,524
2026	5,696,077
2027	4,785,234
2028	4,208,240
2029	2,509,995
Thereafter	1,407,361
Total future minimum lease payments	24,388,431
Amount representing interest	(2,754,048)
Present value of net future minimum lease payments	\$ 21,634,383

**NOTE 5. LINE OF CREDIT AND NOTES PAYABLE**

***Bank credit facility***

On February 28, 2023, the Company entered into a \$17,000,000 credit agreement with a bank ("Credit Agreement"). The Credit Agreement has two components, 2023 Facility 1 is a Senior Secured Line of Credit in the amount of up to \$3,000,000 and 2023 Facility 2 is a Senior Secured Term Loan in the amount of \$14,000,000.

During April 2024 and June 2024, the Company entered into the First Amendment to Credit Agreement and Second Amendment to Credit Agreement (collectively the "Amended Credit Agreements"). The Amended Credit Agreements provided the Company with an additional term loan of \$6,000,000 on April 30, 2024 ("2024 Term Loan A") and an additional term loan of \$19,000,000 on June 7, 2024 ("2024 Term Loan B").

In accordance with the Amended Credit Agreements, the definition of the interest rate applicable to the 2023 Facility 1 and 2023 Facility 2 changed from being calculated based on the Bloomberg Short-Term Bank Yield Index plus 225 basis points to the Secured Overnight Financing Rate ("SOFR") as administered by the Federal Reserve Bank of New York plus 2.25% per annum. The interest rate for the 2024 Term Loan A and 2024 Term Loan B (collectively the "2024 Term Loans") is the SOFR plus 2.60% per annum. The Company determined that the Amended Credit Agreements qualify as a debt modification in accordance with ASC 470-50, *Debt-Modifications and Extinguishments*. As a result, the third party fees incurred in conjunction with the modification totaling approximately \$585,000 were expensed during 2024 and the fees incurred directly with the lender of approximately \$201,000 have been recorded as a debt discount and are being amortized to interest expense over the term of the Amended Credit Agreements using the straight-line method, which approximates the effective interest method.

The loans under the Credit Agreement and Amended Credit Agreements are collateralized by substantially all of the net assets of the Company. The 2023 Facility 2 matures on January 31, 2026. The Company has drawn \$14,000,000 from 2023 Facility 2 and utilized those funds as part of the consideration to acquire MultiState Inc. During 2023, the Company utilized \$1,000,000 from 2023 Facility 1 for the MultiState Inc acquisition. The Company paid approximately \$451,000 in debt issuance costs for the Credit Agreement and has recorded this amount as a debt discount and is amortizing the debt discount to interest expense over the term of the Credit Agreement using the straight-line method, which approximates the effective interest method.

The Company was required to make monthly payments of principal of \$291,667 plus interest beginning in March 2023 through the maturity date of January 31, 2026 for the 2023 Facility 2. The principal payment for 2023 Facility 1 is due on the maturity date for that facility, which is January 31, 2026. Periodic interest-only payments are due on 2023 Facility 1 through the maturity date. The Company was required to make interest-only payments on the 2024 Term Loans starting on May 1, 2024 through October 31, 2024. Beginning on November 1, 2024, the Company was required to make forty-two equal monthly installments of principal each in the amount of 1.25% of the unpaid principal balance of the 2024 Term Loans as of October 31, 2024, plus interest on the 2024 Term Loans, until the maturity date of the 2024 Term Loans of April 30, 2028. In addition, a final payment of all outstanding

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principal and interest will be due on April 30, 2028. During January 2025, the Company entered into the Third Amendment, which modified the future required payments (see Note 12).

As of December 31, 2024 and 2023, the 2023 Facility 1 had been repaid in full. The Company is able to re-borrow up to \$3,000,000, less any outstanding letters of credit, under 2023 Facility 1 or 80% of the Company's eligible receivables, whichever is less.

The Company's 2023 Facility 1, 2023 Facility 2, 2024 Term Loan A, and 2024 Term Loan B consist of the following as of December 31:

	Original Loan Amount	2024		2023	
2023 Facility 1	\$ 3,000,000	\$ —		\$ —	
2023 Facility 2	14,000,000	7,875,000		11,083,333	
2024 Term Loan A	6,000,000	5,850,000		—	
2024 Term Loan B	19,000,000	18,525,000		—	
Less: unamortized debt issuance costs	651,962	358,923		325,527	
Total debt, net of unamortized issuance costs	41,348,038	31,891,077		10,757,806	
Less: current portion		(5,999,449)		(3,349,757)	
Total debt, long-term		\$ 25,891,628		\$ 7,408,049	

As of December 31, 2024, after the Third Amendment, the future principal maturities of these loans are as follows:

	2023 Facility 2		2024 Term Loan A		2024 Term Loan B		Total	
2025	\$ 2,450,000		\$ 900,000		\$ 2,850,000		\$ 6,200,000	
2026	2,100,000		900,000		2,850,000		5,850,000	
2027	2,100,000		900,000		2,850,000		5,850,000	
2028	1,225,000		3,150,000		9,975,000		14,350,000	
Total	\$ 7,875,000		\$ 5,850,000		\$ 18,525,000		\$ 32,250,000	

Total approximate interest expense incurred for the Company's loans was as follows for each of the years ending December 31:

	2024		2023	
Cash interest	\$ 1,693,000		\$ 797,000	
Debt discount amortization		182,000		125,000
Total interest expense	\$ 1,875,000		\$ 922,000	

The Credit Agreement and Amended Credit Agreements contain certain non-financial and financial covenants that the Company is required to comply with and submit a compliance certificate to the bank on a quarterly basis. The financial covenants include a total leverage ratio and fixed coverage ratio. The Company was in compliance with all covenants during 2024 and 2023.

**NOTE 6. STOCKHOLDERS' EQUITY**

As of December 31, 2024, the authorized capital of the Company consists of 1,100,000,000 shares of capital stock, \$0.001 par value per share, of which 1,000,000,000 shares are designated as common stock and 100,000,000 shares are designated as preferred stock. There are no shares of preferred stock outstanding. During May 2024 and October 2024, the Company issued dividends of \$0.097 and \$0.047 per share, respectively. During June 2023 and October 2023, the Company issued dividends of \$0.095 and \$0.046 per share, respectively.

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The number of the Company's shares of common stock outstanding for legal purposes was greater than the number of shares of common stock outstanding for accounting purposes. Therefore, the difference between the legally outstanding shares of common stock on the face of the consolidated balance sheets and the amount outstanding on the consolidated statements of stockholders' equity consists of shares issued with restrictions (collectively "Restricted Shares") as follows as of December 31:

	2024	2023
Consolidated Statements of Stockholders' Equity	114,002,266	109,542,220
Restricted Shares:		
KP Closing Share Payment	369,795	739,589
KP Earnout Shares	122,695	245,389
Engage Restricted Shares	162,433	487,301
MS Closing Vesting Shares	1,315,544	1,973,316
MS First Interim Vesting Shares	557,598	—
Lucas Public Affairs Closing Shares	958,371	—
Other restricted shares	2,599,280	2,284,146
Total restricted Shares	6,085,716	5,729,741
Stock options outstanding	3,383,542	3,089,056
Unvested RSUs outstanding	4,346,650	2,225,000
Total stock options and unvested RSUs outstanding	7,730,192	5,314,056
Fully Diluted Shares Outstanding	127,818,174	120,586,017

The weighted-average common shares outstanding, basic and diluted reported on the consolidated statements of operations and other comprehensive loss is 111,826,822 and 108,606,133, which is different from the 114,002,266 and 109,542,220 ending shares as December 31, 2024 and 2023 on the consolidated statements of stockholders' equity due to the first numbers representing an average during the year compared to the amount outstanding at the end of the year.

Other Restricted Shares consists of the following as of December 31:

	2024	2023
Unvested restricted stock awards, primarily granted to Alpine Inc.	2,397,452	2,188,944
Other unvested stock awards	201,828	95,202
Total other restricted shares	2,599,280	2,284,146

**Share-Based Accounting Charge Retained Pre-IPO Shares**

On December 16, 2021, PPHC-Inc. completed its initial public offering (IPO) and its shares began trading on the AIM market of the London Stock Exchange. During 2021, all ultimate owners of PPHC-LLC, referred to as Group Executives, entered into Executive Employment Agreements. These executives sold some of their shares during the IPO (referred to as Liquidated Pre-IPO Shares) but retained the majority of their shares (Retained Pre-IPO Shares). The retained shares vest in equal installments over five years, provided the executive remains continuously employed. If an executive's employment terminates, except in cases of death, disability, termination without cause, or for good reason, the unvested shares will be forfeited. In cases of death, disability, termination without cause, or for good reason, all unvested shares will vest immediately. Additionally, the agreements include clawback provisions, allowing the company to reclaim cash from the sale of Liquidated Pre-IPO Shares and vested Retained Pre-IPO Shares under certain conditions.

The Company recorded a share-based accounting charge ("Share- Based Accounting Charge Retained Pre-IPO Shares") of approximately \$31,804,000 and \$30,904,000 for the years ended December 31, 2024 and 2023, respectively.

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As of December 31, 2024, there were 80,387,410 Retained Pre-IPO Shares, held by current employees and subject to vesting requirements, and 50,714,152 of these shares were fully vested. These shares were issued in 2021 and the weighted-average grant date fair value of these shares was \$1.82 as of the grant date. For restricted and nonvested stock awards, the grant-date fair value is based upon the market price of the Company's common stock on the date of the grant. As of December 31, 2024, the unrecognized compensation cost from these restricted shares was approximately \$57,862,000, which is expected to be recognized over a weighted-average period of 2.0 years.

The share-based accounting charge relating to the Retained Pre-IPO Shares is recorded to costs of services and general and administrative expense in the consolidated statement of operations. The table below represents the total expense relating to Retained Pre-IPO Shares recognized in the consolidated statements of operations and comprehensive loss for the years ended December 31, 2024 and 2023:

	2024	2023
Cost of services	\$ 26,635,600	\$ 27,152,000
General and administrative expense	5,168,000	3,752,000
<b>Total</b>	<b>\$ 31,803,600</b>	<b>\$ 30,904,000</b>

**Post-combination compensation charge**

The Company has acquired various companies from 2022 to 2024 for a combination of cash, shares of Company Common Stock and future contingent payments ("Acquisition Payments"). As described in Note 2, a portion of the Acquisition Payments are subject to vesting and/or claw back provisions that are directly linked to the continuing employment of the certain owners of the acquired companies ("Post-Combination Payments"). As a result, the Post-Combination Payments are being recognized as a charge for post-combination compensation over the period of the applicable vesting requirement or the period over which the claw back rights linked to employment lapse.

The Company analyzes post-combination obligations under the guidance of ASC Topic 480 *Distinguishing liabilities from equity* to determine if share-based instruments should be recorded as liabilities or within equity. Post-combination obligations of the Company that meet the criteria for liability classification are recorded to other liability in the consolidated balance sheets of the Company. Furthermore, the Company applies the guidance of ASC Topic 815 *Derivatives and hedging* to determine if liability instruments meet the criteria for derivative accounting.

The post-combination compensation charge recorded by the Company was approximately \$11,599,000 and \$6,295,000, respectively. This amount consists of the following components, for each of the years ended December 31, 2024 and 2023:

	2024	2023
Additions to other liability	\$ 4,028,000	\$ 1,685,000
Vesting of common stock	2,509,000	1,529,000
Amortization of prepaid post-combination compensation	5,062,000	3,081,000
<b>Total</b>	<b>\$ 11,599,000</b>	<b>\$ 6,295,000</b>

As of December 31, 2024, the unrecognized post-combination compensation charge was approximately \$21,962,000, which is expected to be recognized over a weighted-average period of 2.1 years. The actual amount of Post-Combination Payments is subject to significant estimates and could change materially in the future.

The Company's potential future payments from its acquisitions exceed the liabilities recorded on the Company's consolidated balance sheets as the Company's potential future payments include components of post-combination compensation and contingent consideration. Contingent consideration is recorded as a liability on the consolidated balance sheets at its estimated fair value. The fair value calculation of the contingent consideration includes certain discount rates and other factors that impact the value of these liabilities (see Note 9). The calculated fair value is based on the total payments that the Company expects to pay in the future rather than the total maximum payments that it could be required to pay.

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The table below highlights the other liability and contingent consideration recorded on the Company's consolidated balance sheets (as discounted) compared to the undiscounted estimated payout and the maximum payout of cash and stock that could occur if all future contingent earn-out provisions from the acquisitions were achieved as of December 31, 2024:

	<b>Total</b>	
<b>Liabilities recorded on balance sheet, December 31, 2024:</b>		
Other liability, current	\$	1,134,675
Other liability, long term		3,744,925
Contingent consideration, current		2,092,597
Contingent consideration, long term		8,803,464
Total liabilities recorded on balance sheet, December 31, 2024 <sup>2)</sup>	\$	15,775,661
<b>Undiscounted potential future payments<sup>(1)</sup>:</b>		
<b>Potential cash future payments:</b>		
	<b>Estimated<sup>(3)</sup></b>	<b>Maximum<sup>(4)</sup></b>
2025	\$ 3,728,000	\$ 4,209,000
2026	3,250,000	8,406,000
2027	3,053,000	12,595,000
2028	13,481,000	18,750,000
2029	1,112,000	13,434,000
Total potential cash future payments	\$ 24,624,000	\$ 57,394,000
<b>Potential stock future payments<sup>(1)</sup>:</b>		
2025	\$ 580,000	\$ 700,000
2026	3,250,000	5,983,000
2027	1,610,000	6,295,000
2028	13,481,000	18,750,000
2029	599,000	7,956,000
Total potential stock future payments	\$ 19,520,000	\$ 39,684,000
Total potential future payments	\$ 44,144,000	\$ 97,078,000
Total liabilities recorded on balance sheet, December 31, 2024	15,775,661	15,775,661
Total remaining difference	\$ 28,368,339	\$ 81,302,339

(1) Includes estimate for future Pagefield payments based on December 31, 2024 exchange rate of GBP/USD

(2) At fair value

(3) Management's estimate as of December 2024 of the future payments of cash and stock for earn-out payments

(4) The maximum amount of future payments of cash and stock for earn-out payments

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**NOTE 7. OMNIBUS INCENTIVE PLAN**

During 2021, the Company adopted the Public Policy Holding Company, Inc. 2021 Omnibus Incentive Plan (the "Omnibus Incentive Plan"), under which Options (both nonqualified options, and incentive stock options subject to favorable US income tax treatment), stock appreciation rights, restricted stock units, restricted stock, unrestricted stock, cash-based awards and dividend equivalent rights may be issued. An award may not be granted if the number of common shares committed to be issued under that award exceeds fifteen percent of the ordinary shares of the Company in issue immediately before that day, when added to the number of common shares which have been issued, or committed to be issued, to satisfy awards under the Omnibus Incentive Plan, or options or awards under any other employee share plan operated by the Company, granted in the five previous years.

As of December 31, 2024, the total amount of shares authorized by the Board of Directors under the Omnibus Incentive Plan was 18,013,197 with a total of 5,761,967 available for issuance. During the years ended December 31, 2024 and 2023 the Company granted 425,000 and 652,000 Options to employees. In addition, during the year ended December 31, 2024, the Company granted 2,930,000 Restricted Stock Units ("RSUs") and 703,737 Restricted Stock Awards ("RSAs"). The stock options have a contractual term of ten years and vest three years after their issuance. The RSUs vest over a three-year period with one-third vesting each year after the grant date. The amortization of the fair value of share-based awards is recorded as an expense in long term incentive program charges in the statement of operations.

*Options*

Determining the appropriate fair value model and the related assumptions requires judgment. The fair value of each option granted is estimated using a Black-Scholes option-pricing model on the date of grant as follows for the years ended December 31:

	2024	2023
Estimated dividend yield	4.0% to 10.0%	6.0%
Expected stock price volatility	40.0%	60.0%
Risk-free interest rate	4.3% to 4.4%	3.8%
Expected life of option (in years)	6.5	6.5
Weighted Average Grant Date Fair Value	\$0.25	\$0.54

The expected volatility rates are estimated based on the actual volatility of comparable public companies over the expected term. The expected term represents the average time that Options that vest are expected to be outstanding. Due to limited historical data, the Company calculates the expected life based on the midpoint between the vesting date and the contractual term, which is in accordance with the simplified method. The risk-free rate is based on the United States Treasury yield curve during the expected life of the option.

The following summarizes the stock option activity for the years ended December 31, 2024 and 2023:

	Number of Shares	Weighted Average Exercise Price-(USD) <sup>(1)</sup>	Weighted Average Exercise Price-(GBP)	Weighted Average Contractual Term (in years)
Outstanding as of December 31, 2023	3,089,056	\$ 2.21	£ 1.74	8.9
Granted	425,000	2.02	1.62	—
Exercised	—	—	—	—
Cancelled/Forfeited	(130,514)	2.14	1.71	—
Outstanding as of December 31, 2024	3,383,542	2.15	1.72	7.8
Exercisable as of December 31, 2024	50,000	2.2	1.76	—
Vested and expected to vest as of December 31, 2024	3,383,542	\$ 2.15	£ 1.72	7.8

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	Number of Shares	Weighted Average Exercise Price-(USD) <sup>(1)</sup>	Weighted Average Exercise Price-(GBP)	Weighted Average Contractual Term (in years)
Outstanding as of December 31, 2022	2,718,809	\$ 2.13	£ 1.77	9.4
Granted	652,000	2.04	1.6	—
Exercised	—	—	—	—
Cancelled/Forfeited	(281,753)	2.21	1.74	—
Outstanding as of December 31, 2023	3,089,056	2.21	1.74	8.9
Exercisable as of December 31, 2023	—	—	—	—
Vested and expected to vest as of December 31, 2023	3,089,056	\$ 2.21	£ 1.74	8.9

(1) The applicable exercise prices have been adjusted based on the applicable exchange rate of GBP to US Dollars at the end of each period presented.

Option expense for the years ended December 31, 2024 and 2023 was approximately \$550,000 and \$518,000, respectively. As of December 31, 2024, there was approximately \$410,000 of total unrecognized compensation cost related to non-vested stock option compensation expense, which is expected to be recognized over a weighted-average period of 0.8 years.

**Restricted Stock Units ("RSUs")**

Determining the appropriate fair value model and the related assumptions requires judgment. The fair value of each RSU granted is estimated using a Black-Scholes option-pricing model on the date of grant as follows as for the years ended December 31:

	2024	2023
Estimated dividend yield	10.0%	6.0%
Expected stock price volatility	40.0% to 50.0%	60.0%
Risk-free interest rate	4.5% to 5.1%	3.9% to 5.4%
Expected life of instrument (in years)	1 to 3 years	1 to 3 years
Weighted-average fair value per share	\$1.47	\$1.41

Activity in the Company's non-vested RSUs was as follows for the years ended December 31, 2024 and 2023:

	Number of RSUs	Weighted Average Grant Date Fair Value
Nonvested as of December 31, 2022	—	\$ —
Granted	2,250,000	1.41
Vested	—	—
Cancelled/Forfeited	(25,000)	1.47
Nonvested as of December 31, 2023 <sup>(1)</sup>	2,225,000	\$ 1.41
Granted	2,930,000	1.41
Vested	(808,350)	1.49
Cancelled/Forfeited	—	—
Nonvested as of December 31, 2024 <sup>(1)</sup>	4,346,650	\$ 1.40

(1) The applicable exercise prices have been adjusted based on the applicable exchange rate of GBP to US Dollars at the end of each period presented.

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RSU expense for the years ended December 31, 2024 and 2023, was approximately \$1,974,000 and \$553,000, respectively. As of December 31, 2024, there was approximately \$4,810,000 of total unrecognized compensation cost related to non-vested RSU arrangements, which is expected to be recognized over a weighted-average period of 1.1 years.

**Restricted Stock Awards ("RSAs")**

Determining the appropriate fair value model and the related assumptions requires judgment. The fair value of each RSA granted is estimated using a Black-Scholes option-pricing model on the date of grant as follows for the years ended December 31:

	2024	2023
Estimated dividend yield	0.0%	6.0%
Expected stock price volatility	40.0%	60.0%
Risk-free interest rate	5.1% to 5.2%	4.9% to 5.4%
Expected life of instrument (in years)	1 year	1 to 5 years
Weighted-average fair value per share	\$1.43	\$1.31

Activity in the Company's non-vested RSAs was as follows for the years ended December 31, 2024 and 2023:

	Number of RSAs	Weighted Average Grant Date Fair Value
Nonvested as of December 31, 2022	—	\$ —
Granted	3,008,951	1.31
Vested	(820,007)	1.61
Cancelled/Forfeited	—	—
Nonvested as of December 31, 2023	2,188,944	\$ 1.19
Granted	703,737	1.43
Vested	(495,229)	1.34
Cancelled/Forfeited	—	—
Nonvested as of December 31, 2024	2,397,452	\$ 1.23

RSA expense for the years ended December 31, 2024 and 2023, was approximately \$1,260,000 and \$1,435,000, respectively. As of December 31, 2024, there was approximately \$2,250,000 of total unrecognized compensation cost related to non-vested RSA arrangements, which is expected to be recognized over a weighted-average period of 2.6 years.

**Stock Appreciation Rights ("SARs")**

During the year ended December 31, 2023, the Company issued 1,850,000 SARs to employees. There were no SARs issued during 2024. SARs are not issued shares or committed shares to be issued and therefore do not count against the total number of shares that can be issued under the Omnibus Incentive Plan. Upon exercise of a SAR, the Company shall pay the grantee in cash an amount equal to the excess of the fair market value of a share of stock on the effective date of exercise in excess of the exercise price of the SAR. This cash settlement feature requires the SARs to be classified as a liability and remeasured at each reporting period. The SARs vest over a three-year period with one-third vesting each year after the grant date. The fair value of each SAR granted is estimated using a Black-Scholes option-pricing model and the fair value is adjusted at each reporting period. As of December 31, 2024 and 2023, the total liability recorded was \$668,000 and \$290,000, respectively.

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The fair value of the SARs was calculated as follows for the years ended December 31:

	2024	2023
Estimated dividend yield	4.0%	6.0%
Expected stock price volatility	45.0%	60%
Risk-free interest rate	4.4% to 4.5%	4.7%
Expected life of instrument (in years)	2.9 to 3.9 years	4.5 to 5.5 years
Weighted-average fair value per share	\$0.51	\$0.46

Activity in the Company's SARs was as follows for the years ended December 31, 2024 and 2023:

	Number of Shares	Weighted Average Exercise Price
Outstanding as of December 31, 2022	—	\$ —
Granted	1,850,000	1.70
Exercised	—	—
Cancelled/Forfeited	(90,000)	1.70
Outstanding as of December 31, 2023	1,760,000	\$ 1.70
Granted	—	—
Exercised	—	—
Cancelled/Forfeited	(55,000)	1.67
Outstanding as of December 31, 2024	1,705,000	1.61
Exercisable as of December 31, 2024	568,354	1.67
Vested and expected to vest as of December 31, 2024	1,705,000	\$ 1.61

SAR expense for the years ended December 31, 2024 and 2023, was approximately \$378,000 and \$290,000, respectively. The amount of the future expense for all SARs issued will depend upon the value of the Company's common stock and other factors at each future reporting date.

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NOTE 8. INCOME TAXES

The components of income tax expense attributable to income before income taxes was as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Current tax expense:		
Federal	\$ 5,587,700	\$ 5,861,100
State	2,251,200	2,274,500
Foreign	—	—
Deferred tax expense (benefit):		
Federal	(1,252,000)	(491,700)
State	(216,000)	(141,100)
Foreign	173,900	—
Total deferred tax expense (benefit)	<u>(1,294,100)</u>	<u>(632,800)</u>
Total provision for income taxes	<u>\$ 6,544,800</u>	<u>\$ 7,502,800</u>

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The acquisitions of KP LLC, Engage, Multistate, Doherty and LPA were taxable asset acquisitions. As such, the purchase consideration for these acquisitions generated tax-deductible goodwill in the combined amount of approximately \$47,253,000. A deferred tax asset has been recorded in relation to the excess of the tax deductible goodwill as compared to the GAAP carrying value of goodwill. Of the approximately \$47,253,000 of tax deductible goodwill, approximately \$32,724,000 is eligible for amortization for tax purposes during the 2024 tax year. None of the goodwill recorded in connection with the acquisition of Pagefield is deductible for tax purposes.

As of December 31, 2024, there are no known items that would result in a material liability related to uncertain tax positions, as such, there are no unrecognized tax benefits. The Company's policy is to recognize interest and penalties related to uncertain tax positions in the provision for income taxes. As of December 31, 2024, the Company had no accrued interest or penalties related to uncertain tax positions.

The Company's 2021 to 2023 domestic income tax return years are open under the statute of limitations for examination by the taxing authorities. Additionally, the Company's income tax return for Pagefield for the years 2020 to 2023 are open under the statute of limitations for examination by the applicable taxing authorities.

The Company has \$4,348,000 of foreign net operating losses that carry forward indefinitely. There are no domestic federal or state net operating loss carryforwards as of December 31, 2024.

The Tax Cuts and Jobs Act of 2017 subjects a US shareholder to tax on global intangible low-taxed income ("GILTI") earned by certain foreign subsidiaries. The Company has elected to account for GILTI in the year the tax is incurred. The Company recorded a GILTI inclusion of approximately \$642,000 during the year ended December 31, 2024. No GILTI inclusion was recorded for the year ended December 31, 2023.

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Significant components of the Company's deferred tax assets and liabilities are as follows as of December 31:

	2024	2023
Deferred tax assets:		
Other assets	\$ 318,200	\$ 244,900
Foreign operating losses	1,087,000	—
Long term incentive plan	717,400	847,700
Foreign equity compensation and accrual	392,000	—
Goodwill	10,997,900	8,082,100
Lease liability	5,810,000	6,764,200
Total deferred income tax assets	19,322,500	15,938,900
Deferred tax liabilities:		
Other	(183,700)	(218,200)
Intangible assets	(3,152,300)	(2,148,200)
Right of use asset	(4,949,000)	(5,835,300)
Total deferred income tax liabilities	(8,285,000)	(8,201,700)
Total net deferred tax asset	\$ 11,037,500	\$ 7,737,200

A reconciliation for the difference between actual income tax expense (benefit) compared to the amount computed by applying the statutory federal income tax rate to net loss before income tax for the years ended December 31, 2024 and 2023, is as follows:

	December 31, 2024		December 31, 2023	
	Amount	% of Pretax Earnings	Amount	% of Pretax Earnings
Federal income tax benefit at statutory rate	\$ (3,656,900)	(21.0)	\$ (1,415,700)	(21.0)
State income taxes, net of federal income tax benefit	(1,167,700)	(6.7)	(419,600)	(6.2)
Nondeductible share-based accounting charge	8,541,100	49.1	8,413,400	124.8
Prepaid post-combination compensation expense	3,106,900	17.8	1,713,800	25.4
Foreign rate differential	101,100	0.6	—	—
Other	(379,700)	(2.2)	(789,100)	\$ (11.7)
Total provision for income taxes	\$ 6,544,800	37.6	\$ 7,502,800	111.3

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**NOTE 9. FAIR VALUE MEASUREMENT**

As a basis for determining the fair value of certain of the Company's financial instruments, the Company utilizes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2 - Observable inputs, other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. Assets and liabilities measured at fair value are classified in their entirety based on the level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the entire fair value measurement requires management to make judgments and consider the factors specific to the asset or liability.

The following table presents a summary of the Company's liabilities that are measured at fair value on a recurring basis by their respective fair value hierarchy level for the year ended December 31, 2024:

	Level 1	Level 2	Level 3
Other liabilities	\$ —	\$ —	\$ 4,879,600
Contingent consideration	—	—	10,896,061
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 15,775,661</b>

The following table presents a summary of the Company's liabilities that are measured at fair value on a recurring basis by their respective fair value hierarchy level for the year ended December 31, 2023:

	Level 1	Level 2	Level 3
Other liabilities	\$ —	\$ —	\$ 2,119,834
Contingent consideration	—	—	6,919,625
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 9,039,459</b>

The carrying values of cash, contract receivables, and accounts payable and accrued expenses at December 31, 2024, and 2023 approximated their fair value due to the short maturity of these instruments.

***Financial Instruments that are Measured at Fair Value on a Recurring Basis***

*Contingent Consideration*

The fair value of contingent consideration from the acquisition of KP LLC, MultiState Inc, LPA, and Pagefield was measured using Level 3 inputs.

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The following table summarized the change in fair value, as determined by Level 3 inputs, for the contingent consideration using the Level 3 inputs as follows:

Balance at December 31, 2022	\$ 4,245,000
Fair value at issuance	2,784,990
Payout of contingent consideration	(1,821,600)
Change in fair value	1,711,235
Balance at December 31, 2023	\$ 6,919,625
Fair value at issuance	3,798,077
Cash and stock payout of contingent consideration	(1,709,250)
Change in fair value	1,909,750
Effect of currency translation adjustment	(22,141)
Balance at December 31, 2024	<u>\$ 10,896,061</u>

The change in fair value of the contingent consideration of approximately \$1,910,000 for the year ended December 31, 2024, consisted of an increase in the fair value of the contingent consideration for MultiState Inc and KP LLC offset by a decrease in the fair value of the contingent consideration for LPA and Pagefield. The change in fair value was primarily due to the effect of the change in the forecasted growth rate of each entity. The Company performed Monte Carlo simulations to estimate the achievement and amount of certain future operating results. The Monte Carlo simulations utilize estimates including; expected volatility of future operating results, discount rates applicable to future results, and expected growth rates. The Monte Carlo assumptions and inputs (which are Level 3 inputs) are as follows for the year ended December 31, 2024:

2024	
Significant Input	Range
Discount rate for credit risk and time value	5.2% to 5.4%
Discount rate for future profit after tax	11.5% to 21.3%
Expected volatility of future annual profit after tax	29.0% to 34.0%
Forecasted growth rate	4.9% to 70.8%

The Monte Carlo assumptions and inputs (which are Level 3 inputs) are as follows for the year ended December 31, 2023:

2023	
Significant Input	Range
Discount rate for credit risk and time value	4.8% to 6.5%
Discount rate for future profit after tax	14.6% to 21.0%
Expected volatility of future annual profit after tax	33.0% to 37.0%
Forecasted growth rate	4.9% to 30.3%

Assumptions related to future operating performance are based on management's annual and ongoing budgeting, forecasting and planning processes and represent management's best estimate of the future results of the Company's operations at a point in time. These estimates are subject to many assumptions, such as the economic environments in which the Company operates, demand for services and competitor actions. Estimated calculations of the future annual profit after tax amounts are discounted to present value using a market participant, weighted average cost of capital, which considers the risk inherent in the probability adjusted future annual profit after tax amounts from services provided. The financial and credit market volatility directly impacts certain inputs and assumptions used to develop the weighted average cost of capital such as the risk-free interest rate, industry beta, debt interest rate, and the Company's market capital structure. These assumptions are based on significant inputs not observable in the market and thus represent Level 3 measurements within the fair value hierarchy. The use of different inputs and

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assumptions could increase or decrease the Company's estimated fair value calculations of the contingent consideration.

*Other Liabilities*

The fair value of other liabilities, comprising of post-combination compensation obligations of the Company, relates to the acquisitions KP LLC, MultiState Inc, LPA, Pagefield and Doherty. The fair value of other liabilities was measured using the same Monte Carlo simulation with the same Level 3 assumptions and inputs as outlined in the above tables for contingent consideration liabilities. The fair value of post-combination compensation obligations is remeasured at each reporting date, any changes in fair value are reflected as a cumulative catch up to post-combination compensation expense in the period in which the remeasurement occurred.

The following table summarized the change in fair value, as determined by Level 3 inputs, for the other liabilities using the Level 3 inputs as follows:

Balance at December 31, 2022	\$	2,256,660
Fair value at issuance		752,560
Accretion of liability		1,644,948
Payout of post combination compensation		(1,845,424)
Change in fair value		(688,910)
Balance at December 31, 2023	\$	2,119,834
Fair value at issuance		348,209
Accretion of liability		2,424,378
Payout of post combination compensation		(981,750)
Change in fair value		1,253,499
Transfer to equity		(284,570)
Balance at December 31, 2024	\$	<u>4,879,600</u>

*Financial Instruments that are not Measured at Fair Value on a Recurring Basis*

The Notes Payable of the Company are subject to a variable interest rate and as such, the carrying amount closely approximates the fair value of this instrument.

*Non-financial Assets and Liabilities that are Measured at Fair Value on a Nonrecurring Basis*

Certain non-financial assets are measured at fair value on a nonrecurring basis, primarily goodwill, intangible assets (Level 3 fair value measurements) and right-of-use lease assets (Level 2 fair value measurement). Accordingly, these assets are not measured and adjusted to fair value on an ongoing basis but are subject to periodic evaluations for potential impairment. See Note 3 of the Notes included herein for additional information on goodwill and intangible assets and Note 4 of the Notes included herein for additional information on right-of-use lease assets.

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**NOTE 10. SEGMENT REPORTING**

The Company determines an operating segment if a component (i) engages in business activities from which it earns revenues and incurs expenses, (ii) has discrete financial information, and is (iii) regularly reviewed by the Chief Operating Decision Maker (“CODM”), being its Chief Executive Officer, to make decisions regarding resource allocation for the segment and assess its performance. The Company organizes its segments based on the nature of services provided. All segments follow the same basis of presentation and accounting policies as those described throughout the Notes included herein.

The CODM uses Adjusted Pre-Bonus EBITDA to allocate resources and assess performance for each of the segments. Adjusted Pre-Bonus EBITDA is defined as net income excluding allocations of certain items that are not directly attributable to the delivery of services to customer. These items include bonuses, corporate level expenses, depreciation, interest expense, interest income, income taxes, share-based accounting charges, post-combination compensation charges, long-term incentive program charges, changes in contingent consideration, amortization of intangibles and gains on bargain purchase. The Company uses Adjusted Pre-Bonus EBITDA on the basis that this measure is a direct reflection of the operating performance of the Company as it excludes items that are not indicative of core operating performance being the delivery of services to customers.

The Company determined that its business is conducted across three reportable segments as of December 31, 2024 as follows: Government Relations Consulting, Public Affairs Consulting and Diversified Services.

- Government Relations Consulting services include federal and state advocacy, strategic guidance, political intelligence and issue monitoring.
- Public Affairs Consulting services include crisis communications, community relations, social and digital podcasting, public opinion research, branding and messaging, relationship marketing and litigation support.
- Diversified Services include Lobbying Compliance services and Legislative Tracking.

The CODM is not regularly provided assets on a segment basis since it is not used to allocate resources and assess performance for each of the segments; therefore, total segment assets have not been disclosed. In addition, for the years ended December 31, 2024 and 2023, revenues in each of the three segments were primarily attributable the United States operations as there were no other country from which the Company derived revenues that exceeded 10%.

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Notes to Consolidated Financial Statements  
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The following tables present segment information by revenues, significant expenses consisting of staff costs and non-staff costs and Adjusted Pre-Bonus EBITDA by segment, and a reconciliation to the consolidated net loss before income taxes for each of the years ended December 31, 2024, and 2023. For the year ended December 31, 2023, the segment information has been recast to conform to the 2024 segment information.

	Year Ended December 31, 2024			Total
	Government Relations	Public Affairs	Diversified Services	
Revenue	\$ 102,463,869	\$ 36,405,430	\$ 10,694,008	\$ 149,563,307
Less significant expenses:				
Staff costs	47,341,565	23,419,061	4,893,449	75,654,075
Non-staff costs	8,172,581	5,202,751	702,469	14,077,801
Segment Adjusted Pre-Bonus EBITDA	46,949,723	7,783,618	5,098,090	59,831,431
Reconciliation to net loss before income taxes:				
Unallocated bonuses				(10,374,636)
Unallocated corporate level expenses				(13,328,121)
Depreciation				(136,121)
Share-based accounting charge retained pre-IPO shares				(31,803,600)
Post-combination compensation charges				(11,598,647)
Long term incentive program charges				(4,162,000)
Change in contingent consideration				(1,909,750)
Amortization of intangibles				(4,671,178)
Loss from operations				(18,152,622)
Gain on bargain purchase				2,463,927
Interest, net				(1,723,449)
Net loss before income taxes				(17,412,144)
Income tax expense				6,544,800
Net loss after income taxes				\$ (23,956,944)

PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements  
December 31, 2024 and 2023

	Year Ended December 31, 2023			
	Government Relations	Public Affairs	Diversified Services	Total
Revenue	\$ 95,476,619	\$ 32,256,518	\$ 7,252,685	\$ 134,985,822
Less significant expenses:				
Staff costs	41,963,175	19,989,995	3,547,726	65,500,896
Non-staff costs	7,594,041	3,516,641	565,604	11,676,286
Segment Adjusted Pre-Bonus EBITDA	45,919,403	8,749,882	3,139,355	57,808,640
Reconciliation to net loss before income taxes:				
Unallocated bonuses				(13,178,302)
Unallocated corporate level expenses				(9,562,394)
Depreciation				(119,688)
Share-based accounting charge retained pre-IPO shares				(30,904,000)
Post-combination compensation charges				(6,295,060)
Long term incentive program charges				(2,796,000)
Change in contingent consideration				(1,711,235)
Amortization of intangibles				(3,878,386)
Loss from operations				(10,636,425)
Gain on bargain purchase				4,835,777
Interest, net				(940,824)
Net loss before income taxes				(6,741,472)
Income tax expense				7,502,800
Net loss after income taxes				\$ (14,244,272)

**PUBLIC POLICY HOLDING COMPANY, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements  
December 31, 2024 and 2023**

**NOTE 11. RELATED PARTY TRANSACTIONS**

As of December 31, 2024, the amounts owed to related parties of approximately \$556,000 consists primarily of a working capital loan of approximately \$569,000 from the sellers of LPA to the Company, which will be repaid in early 2025.

As of December 31, 2023, the amounts due from related parties of approximately \$1,054,000 include the amount expected to be paid to the Company related to working capital loan and adjustments associated with the MultiState acquisition. During the year ended December 31, 2024, the working capital loan and adjustments with Multistate were settled.

During December 2021, the Company entered into a term note agreement ("2021 Note") with The Alpine Group, Inc. ("Alpine Inc"). The 2021 Note provided Alpine Inc with the ability to request a one-time borrowing of up to \$750,000 from the Company at any time prior to December 31, 2022. The purpose of the 2021 Note was to provide Alpine Inc with funds to cover certain federal and state income taxes to be owed by Alpine Inc in connection with the sale of shares of the Company's common stock in the IPO. During April 2022, the Company advanced \$513,000 to Alpine Inc in accordance with the terms of the 2021 Note. The interest rate on the 2021 Note is equal to the Prime Rate as published in the Wall Street Journal. The 2021 Note balance as of December 31, 2024 and 2023 was \$513,000. The 2021 Note was classified as a current asset as of December 31, 2024, and a non-current asset as of December 31, 2023. The amount of accrued interest and interest revenue from the 2021 Note is not material. The 2021 Note requires an annual payment of accrued and unpaid interest on the last business day of December each year and through the maturity date of January 16, 2025. During February 2025, the 2021 Note plus accrued interest totaling approximately \$532,000 was repaid through the transfer of 316,779 shares of PPHC-Inc common stock from Alpine Inc to the Company, which shares have been retired.

During November 2023, the Company entered into term note agreements ("2023 Notes") with certain employees of the Alpine Group Partners, LLC totaling \$1,750,000. The original interest rate on the 2023 Notes was 7.5%. In November 2024, the Company, through Alpine Group Partners, LLC, agreed to reduce the interest rates on the 2023 Notes from 7.5% to 4.45%. The notes are payable in annual installments of \$350,000 plus all accrued and unpaid interest beginning on November 1, 2024 with a maturity date of November 1, 2028 or the effective date of the termination of employment of the respective borrower for any reason, if earlier than the maturity date. As of December 31, 2024 and 2023, the 2023 Notes were recorded in notes receivable - related parties with \$350,000 classified as a current asset and \$1,050,000 and \$1,400,000, respectively, classified as a non-current asset. The amount of accrued interest and interest revenue from the 2023 Notes is not material.

Notes to Consolidated Financial Statements  
December 31, 2024 and 2023

**NOTE 12. SUBSEQUENT EVENTS**

During January 2025, the Company entered into the Third Amendment to Credit Agreement ("Third Amendment"). The Third Amendment will provide the Company with an additional term loan of up to \$24,000,000 ("Second Supplemental Term Facility"). The Company is required to make monthly principal payments on the first day of the month following the month in which the Company draws under the Second Supplemental Term Facility ("2025 Term Loan C"). Through March 1, 2026, the Company is required to make equal monthly installments of principal equal to 0.83% of the unpaid principal balance as of the funding date, plus interest. The Company is then required to make equal monthly installments of principal equal to 1.25% of the unpaid principal as of the funding date, plus interest, through the loan's maturity date of March 31, 2029. The interest rate on the 2025 Term Loan C is SOFR plus 2.60% per annum.

The Third Amendment also extends the maturity date of 2023 Facility 2 from January 31, 2026 to March 31, 2029 and reduces the annual principal repayments from \$291,667 to \$175,000. The Company is required to make monthly payments of principal of \$175,000 beginning March 28, 2025 through the maturity date of March 31, 2029 for the 2023 Facility 2.

During January 2025, the Company entered into an Asset Purchase Agreement ("TrailRunner Agreement") to acquire TrailRunner International, LLC and its international entities (collectively, the "TrailRunner Seller"). At the closing of the transaction, the Company has agreed to pay the TrailRunner Seller cash in the amount of \$28,050,000 and issue 2,966,138 shares of the Company's common stock to the TrailRunner Seller at an aggregate fair value of approximately \$4,950,000.

In addition, there are additional contingent payments that the TrailRunner Seller can earn in the future depending on certain operating results that are achieved. The total additional amount of consideration that the Company could be required to pay to the TrailRunner Seller is \$37,000,000. The transaction closed in April 2025.

Management has evaluated the subsequent events for disclosure in these consolidated financial statements through date of issuance of financial statements, being the date these consolidated financial statements were available for issuance, and determined that no other events have occurred that would require adjustment to or disclosure in these consolidated financial statements.

# Delaware

The First State

*I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "PUBLIC POLICY HOLDING COMPANY, INC.", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF NOVEMBER, A.D. 2021, AT 9:27 O`CLOCK A.M.*



4992651 8100  
SR# 20213892071

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

/s/ Jeffrey W. Bullock

Jeffrey W. Bullock, Secretary of State

Authentication: 204784390  
Date: 11-24-21

**AMENDED AND RESTATED  
CERTIFICATE OF CORPORATION  
OF  
PUBLIC POLICY HOLDING COMPANY, INC**

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 09:27 AM 11/24/2021  
FILED 09:27 AM 11/24/2021  
SR 20213892071 - File Number 4992651

(Pursuant to Sections 242 and 245 of the  
General Corporation Law of the State of Delaware)

Public Policy Holding Company, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the “**DGCL**”),

**DOES HEREBY CERTIFY:**

1. That the name of this corporation is “Public Policy Holding Company, Inc.” This corporation was originally incorporated pursuant to the DGCL on February 4, 2021.

2. That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, and declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

**FIRST:** The name of this corporation (the “**Corporation**”) is:

Public Policy Holding Company, Inc.

**SECOND:** The address of the registered office of the Corporation in the State of Delaware is 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware 19808. The name of its registered agent at such address is Corporation Service Company.

**THIRD:** The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

**FOURTH:**

A. CLASSES OF STOCK.

The total number of shares which the Corporation shall have authority to issue is one billion, one hundred million (1,100,000,000) shares, of which 1,000,000,000 shares are to be Common Stock, \$0,001 par value per share (“**Common Stock**”), and 100,000,000 shares are to be Preferred Stock, par value \$0,001 par value per share (“**Preferred Stock**”). The aggregate par value of all shares of capital stock of the Corporation is one million, one hundred thousand dollars (\$1,100,000).

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation:

**B. COMMON STOCK**

1. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock on all matters submitted to a vote of the stockholders generally. There shall be no cumulative voting.

2. Redemption. The Common Stock is not redeemable at the option of the holder thereof.

**C. PREFERRED STOCK**

1. General. The Preferred Stock may be issued in one or more series from time to time, with each such series to consist of such number of shares and to have such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated in the resolution or resolutions providing for the issuance of such series adopted by the Board of Directors of the Corporation and included in a certificate of designation, filed pursuant to the DGCL, and the Board of Directors is hereby expressly vested with the authority, to the fullest extent now or hereafter provided by law, to adopt any such resolution or resolutions.

2. Classification. The Board of Directors may classify any unissued shares of Preferred Stock and reclassify any previously classified but unissued shares of Preferred Stock of any series from time to time into one or more series of stock. The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

- a. the number of shares constituting such series, including any increase or decrease in the number of shares of any such series (but not below the number of shares in any such series then outstanding), and the distinctive designation of such series;
- b. the dividend rate on the shares of such series, if any, whether dividends shall be cumulative, and, if so, from which date or dates, and the relative rights of priority, if any, of payment of dividends on shares of such series;
- c. whether the shares of such series shall have voting rights (including multiple or fractional votes per share) in addition to the voting rights provided by law, and, if so, the terms of such voting rights;
- d. whether the shares of such series shall have conversion privileges, and, if so, the terms and conditions of such privileges, including provision for adjustment of the conversion rate in such events as the Board shall determine;
- e. whether or not the shares of such series shall be redeemable, and if so, the terms and conditions of such redemption, including the date or dates upon or after which they shall be redeemable, and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption rates;

- f. whether a sinking fund shall be provided for the redemption or purchase of shares of such series, and, if so, the terms and the amount of such sinking fund;
- g. the rights of the shares of such series in the event of voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and the relative rights of priority, if any, of payment of shares of such series; and
- h. any other relative rights, preferences and limitations of such series.

3. **Stockholder Approval.** Unless otherwise determined by holders of seventy-five percent (75%) of the votes cast affirmatively or negatively on the matter, the Corporation shall not issue any shares of Preferred Stock. Notwithstanding the foregoing, this Section 3 of Article Fourth, Part C shall cease to apply with immediate effect from the date that the Corporation no longer has any shares of its capital stock listed or admitted to trading on the Main Market of the London Stock Exchange or on AIM, or any successor to either of them.

#### D. POST IPO PROVISIONS

1. **Defined Terms.** For purposes of this Certificate of Incorporation, the following capitalized terms shall have the meaning given such terms set forth below:

**“Acting in concert”** means Persons who, pursuant to an agreement, arrangement or understanding (whether formal or informal), co-operate to obtain or consolidate Control of the Corporation or to frustrate the successful outcome of an offer for the Corporation. A Person and each of its affiliated Persons will be deemed to be acting in concert with each other;

**“AIM Admission”** means admission of shares of the Common Stock to trading on AIM;

**“AIM”** means AIM, a market operated by the London Stock Exchange;

**“Board”** or **“Board of Directors”** means the Board of Directors of the Corporation;

**“Control”** means a holding or having the power to direct the voting of securities representing thirty percent (30%) or more of the Voting Rights, irrespective of whether the holding or holdings gives de facto control;

**“Disclosure and Transparency Rules”** means the Disclosure and Transparency Rules published by the FCA (as defined below) as amended from time to time;

**“Disclosure Notice”** means a notice issued by the Corporation pursuant to Section 5(b)(ii) of Article Fourth, Part D requiring the disclosure of beneficial ownership of shares of capital stock of the Corporation;

**“Employees’ Share Scheme”** means an agreement, arrangement, scheme or plan for incentivizing, encouraging or facilitating the holding of options, shares, restricted stock units or debentures or other equity awards in the Corporation by or for the benefit of: (a) bona fide employees, officers, directors, consultants or former employees, officers or directors or consultants of the Corporation or any subsidiary of the Corporation; or (b) the wives, husbands, widows, widowers, children or step-children under the age of 18 of such employees or former employees;

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

“**FCA**” means the Financial Conduct Authority of the United Kingdom, or such entities which take over the functions of the FCA for the oversight of the Disclosure and Transparency Rules;

“**London Stock Exchange**” means London Stock Exchange plc;

“**New Securities**” means any shares of capital stock of the Corporation or any other shares or securities convertible into shares of capital stock of the Corporation or any warrants or options to purchase shares or securities convertible into shares of capital stock of the Corporation;

“**Operator**” means any Person who is a stockholder of record of the Corporation by virtue of his, her or its holding stock of the Corporation as trustee or nominee on behalf of those Persons who beneficially own capital stock of the Corporation and have elected to hold such capital stock in dematerialized form through a depository interest;

“**Person**” means an individual, corporation, firm, fund, partnership (general or limited), association, limited liability company, joint venture, trust, estate or other legal entity or organization;

“**Pre-Emptive Rights**” shall have the meaning given such term in Section 2(a) of this Article Fourth, Part D;

“**Pro Rata Share**” means, in relation to a stockholder, that share which is in the same proportion as the number of outstanding shares of the Corporation’s capital stock held by such stockholder bears to the total number of outstanding shares of the Corporation’s capital stock, in each case as at the date of the Rights Notice (as defined below);

“**Restrictions**” means one or more of the restrictions referred to in Section 5(b)(iv)(l) of Article Fourth, Part D determined by the Board of Directors;

“**SEC**” means the U.S. Securities and Exchange Commission;

“**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“**Specified Shares**” means the shares specified in a Disclosure Notice; and

“**Voting Rights**” means the right to vote issued and outstanding securities of the Corporation as provided herein and under the DGCL at the relevant time.

2. Pre-emptive Rights. Subject to the DGCL and the terms of any resolution or Certificate of Designation creating new shares of capital stock of the Corporation:

a. Pre-emptive Rights. So long as the Common Stock is admitted to trading on AIM or any other market of the London Stock Exchange (each an “**Authorized Exchange**”), unless otherwise determined by holders of seventy-five percent (75%) of the votes cast affirmatively or negatively on the matter, the Corporation shall not issue any New Securities, unless it shall first have made an offer to each stockholder (unless waived by such stockholder) to sell to such stockholder on substantially the same or more favorable terms a proportion of those New Securities which is nearly as practical equal to the such

stockholder's Pro Rata Share, but subject to such exclusions or other arrangements as the Board may deem necessary, appropriate or expedient in its sole and absolute discretion to deal with fractional share entitlements, rounding of shares or other legal restrictions under the laws of, or the requirements of any regulatory authority or stock exchange or otherwise in any jurisdiction ("**Pre-Emptive Rights**"); provided, however, that notwithstanding anything herein the foregoing Pre-Emptive Rights shall not apply with respect to:

i. the authorization and/or issuance for cash of New Securities provided that the nominal amount of such shares or the shares into which such New Securities may be converted, during any twelve (12) month period, does not exceed, in the aggregate, one-third of the outstanding shares of Common Stock as of the first day of such twelve (12) month period;

ii. the placing and/or sale for cash of any shares of Common Stock in connection with and simultaneous with the admission of shares of Common Stock to trading on an Authorized Exchange, on terms and conditions acceptable to the Board in its sole and absolute discretion (the "**Admission**");

iii. options, restricted stock units, shares or other equity awards previously, or to be granted to, employees, officers, directors, consultants, contractors or advisors of the Corporation and/or its subsidiaries under, and the issuance of shares pursuant to such securities or benefits granted under, any stock option or incentive plan or agreement heretofore or hereafter adopted by the Corporation, including without limitation any of the foregoing granted or to be granted under any Employees' Share Scheme;

iv. shares issued upon exercise of any outstanding warrants, options, or upon conversion of any convertible promissory notes or debt, in each case that were outstanding before or as of the date of AIM Admission;

v. shares issued, whether upon exercise of any warrants, options or otherwise, in connection with business transactions of the Corporation (including, without limitation, to lessors, financial institutions, vendors, landlords and research and development joint ventures, channels or strategic partners); or

vi. shares issued for or in connection with the purchase or acquisition of the stock, business or assets of one or more other Persons, or in connection with a merger or consolidation of the Corporation with or into one or more other Persons or any similar business combination or acquisition by the Corporation or any subsidiaries controlled by the Corporation.

b. Rights Notice Procedure. If the Corporation proposes to issue New Securities (other than issuances pursuant to Section 2(a)(i) through Section 2(a)(vi) of Article Fourth, Part D), it shall give each stockholder of the Corporation written notice (the "**Rights Notice**") of its intention, which notice shall describe the New Securities, the proposed price per share of the offer of such New Securities, the general terms upon which the Corporation proposes to allot the New Securities, the number of shares that the stockholder has the right to purchase, and a statement that each stockholder shall have not less than twenty one (21) days from delivery of the Rights Notice to agree to purchase all or any part of his, her or its Pro Rata Share of such New Securities for the price and upon the general terms specified in the Rights Notice; provided that the Board may make the Rights Notice and the right to purchase subject to such exclusions or other arrangements as the Board may deem necessary, appropriate or expedient in its sole and absolute discretion to deal with fractional share entitlements, rounding of shares or other legal

restrictions under the laws of, or the requirements of any regulatory authority or stock exchange or otherwise in any jurisdiction and provided that such stockholder can waive in writing the obligation of the Corporation to provide a Rights Notice or participate in such offer of New Securities, including with respect to any future offering of New Securities provided such waiver complies with applicable law and rules of the AIM or the London Stock Exchange. A stockholder may elect to purchase all or any part of his, her or its Pro Rata Share of New Securities by giving written notice to the Corporation prior to the expiration of the period contained in the applicable Rights Notice, which sets forth the quantity of New Securities to be purchased by the stockholder. If a stockholder fails to timely exercise its Pre-Emptive Right within the period specified in the Rights Notice for all or any portion of its Pro Rata Share of such New Securities, the Corporation shall have one hundred and twenty (120) days after expiration of the period contained in the applicable Rights Notice to sell such unsold New Securities at a price and upon general terms no more favorable, in all material respects, to the purchasers than specified in the Rights Notice. If the Corporation has not sold the New Securities within that period, the Corporation shall not thereafter issue or sell any New Securities without first offering such securities to the stockholders of the Corporation in the manner provided above.

3. Depository Interests. The Board shall, subject to any applicable laws and regulations, the facilities and requirements of any relevant system concerned and this Certificate of Incorporation and the bylaws of the Corporation (as may be amended and/or restated from time to time, the “**Bylaws**”), have the power to implement and/or approve any arrangements it may, in its sole and absolute discretion, determine to be advisable in relation to (without limitation) the evidencing of title to and transfer of interest in shares of the capital stock of the Corporation in the form of depository interests or similar interests, instruments or securities and, to the extent such arrangements are so implemented, no provision of this Certificate of Incorporation shall apply or have effect to the extent that it is in any respect inconsistent with the holding or transfer of the shares in the capital of the Corporation represented thereby. The Board may from time to time take such actions and do such things as it may, in its sole and absolute discretion, determine to be advisable in relation to the operation of any such arrangements.

4. Mandatory Takeover Offer.

a. Offer Requirements. Subject to the DGCL, the terms of any Certificate of Designation filed from time to time, the Securities Act, the Exchange Act (if the Corporation has a class of equity securities registered under the Exchange Act) and any applicable SEC rules and regulations, from the date of Admission (the “**Admission Date**”) and for so long as the Corporation has any shares admitted to trading on AIM (or any successor body or organization) when (i) any Person acquires, whether by a series of transactions over a period of time or not, beneficial ownership of securities that (taken together with securities owned, held or acquired by Persons acting in concert with such Person) represents at the time of, and including such acquisition, thirty percent (30%) or more of the Voting Rights; or (ii) any Person who, together with Persons acting in concert with such Person, holds beneficial ownership of securities representing not less than thirty percent (30%) but not more than fifty percent (50%) of the Voting Rights, and such Person, or any Person acting in concert with such Person, acquires additional securities that will increase his, her or its percentage of the Voting Rights, then such Person and any Person acting in concert with such Person (each such Person referred to as an “**Offeror**”) shall extend an offer to purchase all issued and outstanding shares of the Corporation’s capital stock, in accordance with this Section 4 of Article Fourth, Part D (an “**Offer**”), to the Board and the holders of all issued and outstanding capital stock of the Corporation.

b. The obligation to make an Offer pursuant to Section 4(a) of Article Fourth, Part D shall not apply to (i) any underwriter; or (ii) any Person(s) in relation to whom the obligation to make

an Offer pursuant to Section 4(a) of Article Fourth, Part D would not have arisen but for the exercise by any such Person of an entitlement or right to acquire shares of capital stock of the Corporation pursuant to an option or warrant granted to such Person by the Corporation prior to the Admission Date or pursuant to an option or warrant granted to such Person by the Corporation after the Admission Date pursuant to a pre-existing contractual commitment of the Corporation to issue such warrant or option existing prior to the Admission Date; or (iii) in the case of a natural stockholder, if such stockholder dies, the survivors or survivor (where he or she was a joint holder), his or her personal representative and any person registered as holder of stock pursuant to its transmission to that person by operation of the law. Such Offer must be conditional only upon the Offeror having received acceptances in respect of shares of capital stock of the Corporation that, together with all of the shares of capital stock of the Corporation beneficially owned by such Offeror or any Person acting in concert with such Offeror, will result in the Offeror and any Person acting in concert with such Offeror beneficially owning shares of capital stock of the Corporation representing more than fifty percent (50%) of the Voting Rights; provided, however, that an offer must be unconditional if the Offeror (and any Person acting in concert with such Offeror) holds securities of the Corporation carrying more than fifty percent (50%) of the Voting Rights before the Offer is made. No acquisition of securities which would give rise to the obligation to make an Offer under this Section 4 of Article Fourth, Part D may be made if the making or implementation of such Offer would or might be dependent on the approval or passing of a resolution at any meeting of the stockholders or beneficial owners of the Offeror or upon any other condition, consent or arrangement.

For purposes of this Section 4 of Article Fourth, Part D, the grant of an option to acquire existing issued shares of capital stock of the Corporation will be deemed to constitute the acquisition by the grantee of the option of securities giving rise to the obligation to make an Offer under Section 4(a) of Article Fourth, Part D where the relationship and arrangements between the parties concerned is such that effective Control of the shares of capital stock of the Corporation has passed to the grantee of the option.

c. Form of Offer. An Offer must be made in writing and publicly disclosed, must be open for acceptance for a period of not less than 30 days and, if the Offer is made conditional as to acceptances and becomes or is declared unconditional as to acceptances, must remain open for not less than 14 days after the date on which it would otherwise have expired (the “**Offer Period**”). An Offer must, in respect of each class or series of capital stock of the Corporation, be in cash or be accompanied by a cash alternative at a value not less than the highest price (as computed in accordance with Section 4(d) of Article Fourth, Part D) paid by the Offeror for shares of that class or series during the Offer Period and within 12 months prior to its commencement (the “**Highest Price**”). The Highest Price shall be determined by the Board or any advisor retained by the Board for such purpose; provided, however, that the Board or any advisor retained by the Board shall adhere to the guidelines set forth in Section 4(d) of Article Fourth, Part D.

d. Calculation of Highest Price

i. Non-Cash Consideration. When capital stock of the Corporation has been acquired for consideration other than cash in a transaction giving rise to an obligation to make an Offer under this Section 4 of Article Fourth, Part D, the Offer must nevertheless be in cash or be accompanied by a cash alternative of at least equal value, which value must be determined by an independent valuation.

ii. Stamp Duty and Broker’s Commission. In calculating the Highest Price, stamp duty and broker's commission, if any, shall be excluded.

iii. Listed Securities. If capital stock of the Corporation has been acquired in exchange for listed securities in a transaction giving rise to an obligation to make an Offer under this Section 4 of Article, Fourth Part D, the Highest Price will be established by reference to the middle market price of such listed securities on the applicable market on the date of such acquisition.

iv. Conversion, Warrants, Options or Other Subscription Rights. If capital stock of the Corporation is admitted to trading on AIM and has been acquired by the conversion or exercise (as applicable) of convertible securities, warrants, options or other subscription rights, the Highest Price shall be established by reference to the middle market price of such capital stock on the London Stock Exchange at the close of business on the day on which the relevant exercise or conversion notice was submitted provided that if the convertible securities, warrants, options or subscription rights were acquired during the Offer Period or within 12 months prior to its commencement, they will be treated as if they were purchases of the underlying capital stock of the Corporation at a price equal to the sum of the purchase price of such convertible securities, warrants, options or other subscription rights plus the relevant conversion or exercise price paid (or if such convertible securities, warrants, options or other subscription rights have not yet been converted or exercised, the maximum conversion or exercise price payable under the relevant conversion or exercise terms).

e. Sales by Directors. In the event that any director of the Corporation (or any of his or her affiliates) sells shares of the Corporation to a purchaser as a result of which the purchaser is required to make an Offer under this Section 4 of Article Fourth, Part D, such director must use reasonable commercial efforts to ensure that as a condition of the sale the purchaser undertakes to fulfill its obligations under this Section 4 of Article Fourth, Part D, provided that doing so would not be inconsistent with such director's fiduciary duties to the Corporation and its stockholders. In addition, unless inconsistent with a director's fiduciary duties to the Corporation and its stockholders, such director shall not resign from the Board until the closing date of the Offer or the date when the Offer becomes or is declared wholly unconditional, whichever is later.

f. Public Disclosure. No Offeror or nominee of an Offeror may be appointed to the Board, nor may an Offeror exercise the Voting Rights represented by the securities of the Corporation held by such Offeror, until public disclosure of the Offer has been made.

g. Stockholder Waiver of Offer Obligation. The obligation to make an Offer under this Section 4 of Article Fourth, Part D may be waived in the circumstances and with the relevant consent described below;

i. the obligation may be waived in any circumstance with the consent of the holders of more than fifty percent (50%) of the Voting Rights (excluding for this purpose the Voting Rights of the Offeror and any Persons who are affiliated or acting in concert with the Offeror);

ii. if an issuance or allotment of New Securities by the Corporation as consideration for an acquisition or a cash subscription would otherwise result in an obligation to make an Offer under this Section 4 of Article Fourth, Part D the obligation may be waived with the consent of the holders more than fifty percent (50%) of the Voting Rights of those Persons who are neither the proposed allottee(s) of the New Securities nor affiliated or acting in concert with the proposed allottee(s) of such New Securities; or

iii. the obligation may be waived with the consent of the Board.

h. Consequences of Noncompliance. If an Offeror shall fail to comply with this Section 4 of Article Fourth, Part D, or shall fail to comply with such Offeror's obligations under the Offer, and shall persist in such failure after written notice from the Corporation to such Person(s), the Board may (subject to any other approvals or authorizations that may be required):

- i. require such Person(s) to provide such information as the Board considers appropriate;
- ii. make an award for costs against the Offeror;
- iii. determine that some or all of such securities acquired in breach of this Section 4 of Article Fourth, Part D be sold;
- iv. direct that the Offeror shall not be entitled to exercise any Voting Rights; and/or
- v. direct that no dividends shall be paid in respect of all or any of the capital stock of the Corporation held by the

Offeror.

The restrictions in subparagraphs (iv) and (v) of this Section 4(h) of Article Fourth, Part D may be waived at the discretion of the Board, and shall be waived when (i) the shares subject to such restrictions are proved to the reasonable satisfaction of the Board to have been sold to a new beneficial owner that is not affiliated or acting in concert with the Offeror, (ii) such shares have been sold pursuant to an Offer made to all holders of shares of the Corporation on terms which do not differentiate between such holders; or (iii) the provisions of this Section 4 of Article Fourth, Part D relating to the Offer or, as the case may be, the Offeror's obligations under the Offer, have been complied with in full.

i. Severability. If any term or provision in this Article Fourth, Part D shall be in violation of any applicable law or public policy, then this Article Fourth, Part D shall be deemed to include such provision only to the fullest extent that it is legal, valid and enforceable, and the remainder of the terms and provisions herein shall be construed as if such illegal, invalid, unlawful, void, voidable or unenforceable term or provision were not contained herein; if this Section 4 of Article Fourth, Part D shall be in violation of any applicable law or public policy in its entirety, then this Certificate of Incorporation shall be deemed not to include the applicable provisions of this Article Fourth, Part D.

j. Interpretation. To the fullest extent permitted by law and subject to the rights of the stockholders set forth herein, the Board shall have the exclusive power and authority to administer and interpret the provisions of this Section 4 of Article Fourth, Part D and to exercise all rights and powers specifically granted to the Board or the Corporation or as may be necessary or advisable in the administration of this Section 4 of Article Fourth, Part D, and all such actions, calculations, determinations and interpretations which are done or made by the Board in good faith shall be final, conclusive and binding on the Corporation and the beneficial and record owners of the capital stock of the Corporation.

k. Affiliate. For purposes of this Section 4 of Article Fourth, Part D, the term "affiliate" shall mean (i) with respect to an entity (1) any other Person directly or indirectly controlling, controlled by, or under common control with such entity, (2) any other Person owning or controlling ten percent (10%) or more of the outstanding voting interests in such entity, (3) any officer, director, general partner, manager or managing member of such entity or (4) any other Person that is an officer, director, general partner, manager, managing member or holder of ten percent (10%) or more of the voting

interests of any other Person described in subsections (1) through (3) above, and (ii) with respect to an individual (1) any other Person directly or indirectly controlled by such individual, (2) any parent, grandparent, adult sibling, adult child or adult grandchild, or the spouse, of such individual, (3) any trust established for the benefit of such individual, for the benefit of any minor child or minor grandchild of such individual, or for the benefit of any other individual described in Section 4(K)(i)(2) of this Article Fourth, Part D, or (4) the testamentary estate, executor, executrix, administrator, personal representative, heir or devisee of such individual. The term “affiliated with” shall have a corresponding meaning.

5. Disclosure of Voting Rights and Interests.

a. Disclosure of Voting Rights.

i. Notification. Without prejudice to and in addition to any obligation to disclose under the Disclosure and Transparency Rules, a Person must notify the Corporation of the percentage of his, her or its Voting Rights if the percentage of Voting Rights which he, she or it holds, directly or indirectly, as a stockholder of the Corporation or through his, her or its direct or indirect holding of financial instruments as set out in the Disclosure and Transparency Rules (or a combination of such holdings):

1. reaches, exceeds or falls below three percent (3%), four percent (4%), five percent (5%), six percent (6%), seven percent (7%), eight percent (8%), nine percent (9%), ten percent (10%) and each one percent (1%) threshold thereafter up to one hundred percent (100%); or

2. reaches, exceeds or falls below an applicable threshold in this Section 5(a)(i)(1) of Article Fourth, Part D as a result of events changing the breakdown of Voting Rights and on the basis of information disclosed by the Corporation in accordance with the requirements of the Disclosure and Transparency Rules (or in accordance with requirements which are treated as equivalent to those set out in the Disclosure and Transparency Rules).

ii. Timing of Notification. Without prejudice to and in addition to any obligation to disclose under the Disclosure and Transparency Rules, the notification set forth in Section 5(a)(i) of Article Fourth, Part D to the Corporation shall be effected as soon as possible, but in any event no later than two (2) trading days after the date on which the relevant Person:

1. learns of the acquisition or disposal or of the possibility of exercising Voting Rights, or on which, having regard to the circumstances, should have learned of the acquisition or disposal of, or the possibility of exercising Voting Rights, regardless of the date on which the acquisition, disposal or possibility of exercising Voting Rights takes effect; or

2. is informed about the event mentioned in Section 5(a)(i)(2) of Article Fourth, Part D.

iii. Form of Notification. A notification must be made using the form TRI available in electronic format at the FCA’s website at [www.fca.org.uk](http://www.fca.org.uk).

b. Disclosure of Interests.

i. Generally. For the purposes of this Section 5(b) of Article Fourth, Part D:

1. a Person who is interested in a right to subscribe for, or convert into, shares of the Corporation shall be deemed to be interested in shares and references to interests in shares shall include any interest whatsoever in such shares including, without limitation:

a. a right to control, directly or indirectly, the exercise of any right conferred by the holding of shares alone or in conjunction with any Person and the interest of any Person shall be deemed to include the interest of any other Person deemed to be so acting in concert;

b. the interest of a beneficiary of a trust of property where such interest in shares of the Corporation is comprised in the property; and

c. Persons having a joint interest are taken each of them to have that interest.

2. a Person is taken to have an interest in shares of the Corporation if:

a. he, she or it enters into a contract for the purchase of shares of the Corporation by him, her or it (whether for cash or other consideration);

b. not being the registered holder, he, she or it is entitled to exercise any right conferred by the holding of shares of the Corporation or is entitled to control the exercise of any such right;

c. if otherwise than by virtue of having an interest under a trust, he, she or it has a right to call for delivery of shares of the Corporation to himself, herself or itself or to his, her or its order, whether the right or obligation is conditional or absolute; or

d. if otherwise than by virtue of having an interest under a trust, he, she or it has a right to acquire an interest in shares of the Corporation or is under an obligation to take an interest in shares of the Corporation, whether the right or obligation is conditional or absolute.

3. a Person shall be treated as appearing to be interested in shares of the Corporation if:

a. the Person has been named in a Disclosure Notice as being interested;

b. in response to a Disclosure Notice, the Person holding the Specified Shares or another Person appearing to be interested in them has failed to establish the identities of those who are interested and (taking into account the response and other relevant information) the Corporation has reasonable cause to believe that the Person in question is or may be interested in such Specified Shares; or

c. the Person holding the Specified Shares is an Operator and the Person in question has notified the Operator that he, she or it is so interested.

ii. Disclosure Notices.

1. The Board of Directors may serve a Disclosure Notice in writing on any Person whom the Board of Directors knows or has reasonable cause to believe to be interested in shares of the Corporation, requiring such Person to indicate whether or not it is the case and, where such Person holds any interest in any such shares of the Corporation, to give such further information as may be required by the Board of Directors.

2. Any Disclosure Notice may require the Person to whom it is addressed to give particulars of his, her or its own present interest in shares of the Corporation.

3. A notice under this Section 5(b)(ii) of Article Fourth, Part D shall require any information given in response to the Disclosure Notice to be given in writing within such reasonable time as may be specified in the Disclosure Notice (subject to Section 5(b)(v) and Section 5(b)(vii) of Article Fourth, Part D).

4. A notice which has taken effect under this Section 5(b)(ii) of Article Fourth, Part D shall remain in effect in accordance with its terms following a transfer of the shares of the Corporation to which it relates unless and until the Board of Directors determines otherwise and notifies the stockholder accordingly.

iii. Failure to Timely Respond. Notwithstanding anything in this Section 5(b) of Article Fourth, Part D to the contrary, if:

1. a Disclosure Notice has been served on a Person appearing to be interested in Specified Shares; and

2. the Corporation has not received the information required in respect of the Specified Shares within a period of fourteen (14) days (subject to Section 5(b)(v) and Section 5(b)(vii) of Article Fourth, Part D) after the service of the Disclosure Notice, then the Board of Directors may determine that the stockholder holding or who is interested in Specified Shares is subject to the Restrictions in respect of such shares. The Corporation shall, as soon as practicable after the determination, give notice to the relevant Person stating that (until such time as the Board of Directors determines otherwise under Section 5(b)(vii) of Article Fourth, Part D) the Specified Shares shall be subject to the Restrictions stated in the Disclosure Notice.

iv. Restrictions.

1. Subject to Section 5(b)(iv)(2), Section 5(b)(v) and Section 5(b)(vii) of Article Fourth, Part D, the Restrictions which the Board of Directors determines applicable to Specified Shares shall be one or more (as determined by the Board of Directors) of the following:

a. the Person holding the Specified Shares shall not be entitled, in respect of the Specified Shares, to be present or to vote (either personally, or by proxy or otherwise) at an annual or special meeting of the stockholders of the Corporation or at a separate meeting of the holders of a class or series of shares of the Corporation, or to exercise any other right in relation to an annual or special meeting of the stockholders of the Corporation or a separate class meeting;

b. no transfer of the Specified Shares shall be effective or shall be recognized by the Corporation;

and

c. no dividend or other sums which would otherwise be payable on or in respect of the Specified Shares shall be paid to the Person holding the Specified Shares and, in circumstances where an offer of the right to elect to receive shares instead of cash in respect of a dividend is or has been made, an election made in respect of the Specified Shares shall not be effective.

2. The Board of Directors may determine that one or more Restrictions imposed on Specified Shares shall cease to apply at any time, provided, however, that the Board of Directors has given notice to the holder of the Specified Shares within seven (7) days of the cessation of such Restrictions and has identified the date upon which the Restrictions ceased to apply. If the Corporation receives the information required in the relevant Disclosure Notice, the Board of Directors shall, within seven (7) days of receipt, determine that all Restrictions imposed on the Specified Shares shall cease to apply and shall give notice to the holder of the Specified Shares within seven (7) days of the cessation of all such Restrictions and shall identify the date upon which the Restrictions ceased to apply. In addition, the Board of Directors shall determine that all Restrictions imposed on the Specified Shares shall cease to apply if the Corporation receives an executed and, if necessary, duly stamped instrument of transfer in respect of the Specified Shares, which would otherwise be given effect to:

a. if the transfer is made pursuant to a sale of the Specified Shares on AIM;

b. if the transfer is by way of an acceptance of an Offer to acquire all the shares in the Corporation or all the shares in the Corporation of any class or series or classes or series (other than shares which at the date of the Offer are already held by the Offeror), being an Offer on terms which are the same in relation to all the shares to which the Offer relates or, where such shares include shares of different classes, in relation to all the shares of each class; or

c. if the transfer is made pursuant to a sale which is shown to the satisfaction of the Board of Directors to be a bona fide sale of the whole of the beneficial interest in the Specified Shares to a Person who is unconnected with the transferor or with any other Person appearing to be interested in the shares.

3. Where dividends or other sums payable on Specified Shares are not paid as a result of Restrictions having been imposed, the dividends or other sums shall accrue and be payable (without interest) on the date the relevant Restrictions cease to apply.

4. If the Board of Directors makes a determination under Section 5(b)(iv)(2) of Article Fourth, Part D, it shall notify the purported transferee as soon as practicable and any Person may make representations in writing to the Board of Directors concerning the determination. Neither the Corporation nor the Board of Directors shall in any event be liable to any Person as a result of the Board of Directors having imposed Restrictions, or failed to determine that Restrictions shall cease to apply, if the Board of Directors has acted in good faith.

v. Exceptions. Where the Specified Shares represent less than one-quarter of one percent (0.25%) of the issued and outstanding shares of the Corporation or shares of the same class as the Specified Shares in issue at the date of issue of the relevant Disclosure Notice, then:

1. the period of fourteen (14) days referred to in Section 5(b)(iii)(2) of Article Fourth, Part D is to be treated as a reference to a period of twenty-eight (28) days; and

2. any determination made by the Board of Directors under Section 5(b)(iv)(l) of Article Fourth, Part D may only impose the Restrictions referred to in Section 5(b)(iv)(l)(a) of Article Fourth, Part D.

vi. Shares Issued in Respect of Specified Shares. Shares issued in respect of Specified Shares that are at the relevant time subject to particular Restrictions shall, on issue, become subject to the same Restrictions as the relevant Specified Shares. For this purpose, shares which the Corporation procures to be offered to stockholders pro rata (or pro rata ignoring fractional entitlements and shares not offered to certain stockholders by reason of legal restrictions associated with offering shares outside the United Kingdom) shall be treated as shares issued in respect of Specified Shares.

vii. Suspension of Restrictions. The Board of Director may, in its sole and absolute discretion, suspend, in whole or in part, the imposition of a Restriction, either permanently or for a given period, and may pay a dividend or other sums payable in respect of the Specified Shares to a trustee (subject to the Restriction referred to in Section 5(b)(iv)(l)(c)). Notice of suspension, specifying the Restrictions suspended and the period of suspension, shall be given by the Corporation to the relevant stockholder as soon as practicable.

viii. Obligation of Operators. Where a Disclosure Notice is serviced on an Operator, the obligations of the Operator shall be limited to disclosing information recorded by it relating to a Person appearing to be interested in the shares held by it.

#### 6. Amendment of Bylaws.

The Board shall have the power to adopt, amend or repeal the Bylaws without any action by the stockholders. The stockholders shall also have the power to adopt, amend or repeal the Bylaws; provided, however, that in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal any provision of the Bylaws.

7. Matters Relating to the Board of Directors. Except as may be provided in a Certificate of Designation relating to a class or series of Preferred Stock:

a. Director Powers. The conduct of the business and affairs of the Corporation shall be managed by or under the direction of the Board. In addition to the powers and authority expressly conferred upon them by statute or by this Certificate of Incorporation or the Bylaws, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

b. Number of Directors. The number of directors shall be fixed from time to time exclusively by resolution adopted by the Board.

c. Classified Board. The Board shall be and is divided into three classes designated as Class I, Class II and Class III, respectively (the "**Classified Board**"). Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the Board. The Board may assign members of the Board already in office to the Classified Board, which assignments shall become effective at the same time the Classified Board becomes effective. Directors shall be assigned to each class in accordance with a resolution or resolutions adopted by the Board, with the number of directors in

each class to be divided as nearly equal as reasonably possible. The initial term of office of the Class I directors shall expire at the Corporation's first annual meeting of stockholders following Admission, the initial term of office of the Class II directors shall expire at the Corporation's second annual meeting of stockholders following Admission and the initial term of office of the Class III directors shall expire at the Corporation's third annual meeting of stockholders following Admission. At each annual meeting of stockholders following Admission, directors elected to succeed those directors of the class whose terms then expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election.

d. Term and Removal. Each director shall hold office until such director's successor is duly elected and qualified, or until such director's earlier death, resignation or removal. Any director may resign at any time upon notice to the Corporation given in writing or by any electronic transmission permitted in the Bylaws. No director may be removed except for cause and only by the affirmative vote of the holders of a majority of the voting power of the then-outstanding shares of capital stock of the Corporation then entitled to vote at an election of directors voting together as a single class. To the fullest extent permitted by law, at least twenty eight (28) days prior to any annual or special meeting of stockholders at which it is proposed that any director be removed from office with cause, written notice of such proposed removal and the alleged grounds thereof shall be sent to the director whose removal will be considered at the meeting. No decrease in the authorized number of directors constituting the Board shall shorten the term of any incumbent director.

e. Board Vacancies. Any vacancy occurring in the Board for any cause, and any newly created directorship resulting from any increase in the authorized number of directors, shall be filled only by the affirmative vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for a term expiring at the annual meeting of stockholders at which the term of office of the class to which the director has been assigned expires and until such director's successor shall have been duly elected and qualified, or until such director's earlier death, resignation or removal.

f. Vote by Ballot. Election of directors need not be by written ballot unless the Bylaws shall so provide.

#### 8. Director Liability.

a. Limitation of Liability. To the fullest extent permitted by law, no director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Without limiting the effect of the preceding sentence, if the DGCL is hereafter amended to authorize the further elimination or limitation of the liability of a director, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which DGCL permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the DGCL.

b. Change in Rights. Neither any amendment nor repeal of this Section 8 of Article Fourth, Part D, nor the adoption of any provision of this Certificate of Incorporation inconsistent with this

Section 8 of Article Fourth, Part D, shall eliminate, reduce or otherwise adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such amendment, repeal or adoption of such an inconsistent provision.

9. Matters Relating to the Stockholders

a. Special Meeting of Stockholders. Special meetings of the stockholders of the Corporation may be called only by the Board acting pursuant to a resolution adopted by the Board.

b. Advance Notice of Stockholder Nominations and Business Transacted at Special Meetings. Advance notice of stockholder nominations for the election of directors of the Corporation and of business to be brought by stockholders before any meeting of stockholders of the Corporation shall be given in the manner provided in the Bylaws. Business transacted at special meetings of stockholders shall be confined to the purpose or purposes stated in the notice of meeting.

c. No Action without a Meeting. Except as may be provided in a Certificate of Designation relating to a class or series of Preferred Stock, the stockholders shall have no power or authority to act by written consent or by electronic transmission in lieu of an annual or special meeting of stockholders.

10. Choice of Forum

a. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware, United States of America, shall be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Corporation; (b) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders; (c) any action asserting a claim against the Corporation arising pursuant to any provision of the DGCL, this Certificate of Incorporation or the Bylaws; (d) any action to interpret, apply, enforce or determine the validity of this Certificate of Incorporation or the Bylaws; or (e) any action asserting a claim against the Corporation governed by the internal affairs doctrine.

b. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, or under the rules of the AIM or the London Stock Exchange.

c. Any person or entity holding, purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Section 10 of Article Fourth, Part D.

11. Amendment of Certificate of Incorporation

a. If any provision of this Certificate of Incorporation becomes or is declared on any ground by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Certificate of Incorporation, and the court will replace such illegal, void or unenforceable provision of this Certificate of Incorporation with a valid and enforceable provision that most accurately reflects the Corporation's intent, in order to achieve, to the maximum extent possible, the same economic, business

and other purposes of the illegal, void or unenforceable provision. The balance of this Certificate of Incorporation shall be enforceable in accordance with its terms.

b. The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the DGCL and all rights conferred upon stockholders are granted subject to this reservation.

c. Notwithstanding any other provision of this Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of the Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of a majority of the voting power of all of the then- outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal any provision of this Certificate of Incorporation; provided, however, no meeting or vote of stockholders shall be required to adopt an amendment to this Certificate of Incorporation that effects only changes described in paragraphs (a)(1) and (a)(7) of Section 242 of the DGCL.

12. Section 203 Waiver. The Corporation elects not to be governed by Section 203 of the DGCL.

13. Effect of Section 2, Section 4 and Section 5 of Article Fourth, Part D. From the Admission Date, each of Section 2, Section 4 and Section 5 of Article Fourth, Part D shall be in effect as a condition to ownership of shares of capital stock of the Corporation; provided, however, that each of Section 2, Section 4 and Section 5 of Article Fourth, Part D shall cease to apply with immediate effect from the date that the Corporation no longer has any shares of its capital stock listed or admitted to trading on the Main Market of the London Stock Exchange or on AIM, or any successor to either of them.

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3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation acting in accordance with Section 228 of the DGCL.

4. That this Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this corporation's Amended and Restated Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the DGCL.

**IN WITNESS WHEREOF**, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this 24th day of November, 2021.

By: /s/ G. Stewart Hall  
Name: G. Stewart Hall  
Title: President and Chief Executive Officer

**BYLAWS  
OF  
PUBLIC POLICY HOLDING COMPANY, INC.**

**ARTICLE I  
Stockholders**

Section 1.1. Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the board of directors (the "Board of Directors") of Public Policy Holding Company, Inc. (the "Corporation") from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2. Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the President or the Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing of stockholders owning a majority of the entire capital stock of the Corporation, issued and outstanding and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 1.3. Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, date and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the written notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the mail, postage prepaid, directed to the stockholder at his, her, or its address as it appears on the records of the Corporation.

Section 1.4. Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5. Quorum. At each meeting of stockholders, except where otherwise provided by law or the Certificate of Incorporation or these bylaws, the holders of a majority of the outstanding shares of stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum. In the absence of a quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the Corporation shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the

foregoing shall not limit the right of any corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.6. Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his or her absence by the Vice Chairman of the Board, if any, or in his or her absence by the President, or in his or her absence by a Vice President, or in the absence of the foregoing persons, by a chairman designated by the Board of Directors, or in the absence of such designation, by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7. Voting; Proxies. Each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by him or her which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or another duly executed proxy bearing a later date with the Secretary of the Corporation. Voting at meetings of stockholders need not be by written ballot and need not be conducted by inspectors unless the Board of Directors, or holders of a majority of the outstanding shares of all classes of stock entitled to vote thereon present in person or by proxy at such meeting, shall so determine. At all meetings of stockholders for the election of directors, a plurality of the votes cast shall be sufficient to elect. All other elections and questions shall, unless otherwise provided by law or by the Certificate of Incorporation or these bylaws, be decided by the vote of the holders of a majority of the outstanding shares of stock entitled to vote thereon present in person or by proxy at the meeting.

Section 1.8. Fixing Date for Determination of Stockholders of Record.

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to receive payment of any divided or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not precede the date such record date is fixed and shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action. If no record date is fixed, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given. The record date for any other purpose other than stockholder action by written consent shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting;

provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten (10) days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or to any officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

Section 1.9. List of Stockholders Entitled to Vote. The Secretary shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger and the list of stockholders on the books of the Corporation or to vote in person or by proxy at any meeting of stockholders.

Section 1.10. Action by Consent of Stockholders. Unless otherwise restricted by the Certificate of Incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were

present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

## **ARTICLE II**

### **Board of Directors**

Section 2.1. Number; Qualifications. The Board of Directors shall consist of one (1) or more members, the number thereof to be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders.

Section 2.2. Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as such by the incorporator. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect Directors to replace those Directors whose terms then expire. Any Director may resign at any time upon written notice to the Corporation. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each Director so elected shall hold office until the expiration of the term of office of the Director whom he or she has replaced.

Section 2.3. Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined, notices thereof need not be given.

Section 2.4. Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or any two members of the Board of Directors. Reasonable notice thereof shall be given by the person or persons calling the meeting, not later than the second day before the date of the special meeting.

Section 2.5. Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of such Board of Directors or Committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this bylaw shall constitute presence in person at such meetings.

Section 2.6. Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the Certificate of Incorporation or these bylaws otherwise provide, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7. Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his or her absence by the Vice Chairman of the Board, if

any, or in his or her absence by the President, or in their absence by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. Informal Action by Directors. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee.

Section 2.9. Compensation of Directors. The Board of Directors shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

### **ARTICLE III Committees**

Section 3.1. Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have power or authority in reference to amending the Certificate of Incorporation (except that a committee may, to the extent authorized in the resolution or resolutions providing for the issuance of shares of stock adopted by the Board of Directors as provided in Section 151(a) of the Delaware General Corporation Law, fix any of the preferences or rights of such shares, except voting rights of the shares), adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the stockholders a dissolution of the Corporation or a revocation of dissolution, or amending these bylaws; and, unless the resolution expressly so provides, no such committee shall have the power or authority to declare a dividend or to authorize the issuance of stock.

Section 3.2. Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

#### **ARTICLE IV Officers**

Section 4.1. Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall choose a President and Secretary. The Corporation may also have, at the discretion of the Board of Directors, such other officers as are desired, including a Chairman of the Board, Chief Executive Officer, one or more Vice Presidents, one or more Assistant Secretaries, a Treasurer, one or more Assistant Treasurers, and such other officers as may be designated by the Board of Directors. Each officer shall hold office until such officer's successor is elected and qualified or until such officer's earlier resignation or withdrawal. Any officer may resign at any time upon written notice to the Corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the Corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2. Powers and Duties of Officers. The officers of the Corporation shall have such powers and duties in the management of the Corporation as may be prescribed by the Board of Directors and, to the extent not so provided, as generally pertain to their respective offices, as set forth in these bylaws, subject to the control of the Board of Directors. The Board of Directors may require any officer, agent or employee to give security for the faithful performance of his or her duties.

Section 4.3. Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him or her by the Board of Directors or prescribed by these bylaws. If there is no President, the Chairman of the Board shall in addition be the Chief Executive Officer of the Corporation and shall have the powers and duties prescribed in Section 4.4 of these bylaws.

Section 4.4. Chief Executive Officer. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the Chief Executive shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. He or she shall be an ex-officio member of all committees and shall have the general powers and duties of management usually vested in the office of the Chief Executive Officer of corporations, and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

Section 4.5. President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the Corporation. He or she shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He or she shall be an ex-officio member of all committees and shall have the general powers and duties of management usually vested in the office of President of corporations, and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

Section 4.6. Vice President. In the absence or during the disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, or, if not ranked, the Vice President designated by the Board of Directors, shall perform all of the duties of the President, and when so acting shall have all the powers of, and be subject to, all of the restrictions upon the President. The Vice Presidents shall have such other duties as from time to time may be prescribed for them, respectively, by the Board of Directors.

Section 4.7. Secretary. The Secretary shall attend all sessions of the Board of Directors and all meetings of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose ("Minute Book"); and shall perform like duties for the standing committees when required by the Board of Directors. He or she shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or these bylaws.

He or she shall keep in safe custody the seal of the Corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed it shall be attested by his or her signature or by the signature of an Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by his or her signature.

Section 4.8. Assistant Secretary. The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors, or if there be no such determination, the Assistant Secretary designated by the Board of Directors, shall, in the absence or during the disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 4.9. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys, and other valuable effects in the name and to the credit of the Corporation, in such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, he or she shall give the Corporation a bond, in such sum and with such

surety or sureties as shall be satisfactory to the Board of Directors, for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

Section 4.10. Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors, or if there be no such determination, the Assistant Treasurer designated by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

## **ARTICLE V**

### **Stock**

Section 5.1. Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the Corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation, certifying the number of shares owned by him or her in the Corporation. Any of or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent, or registrar at the date of issue.

Section 5.2. Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his or her legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 5.3. No Equitable Claims. The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, save as expressly provided by the laws of the State of Delaware.

## **ARTICLE VI**

### **Miscellaneous**

Section 6.1. Fiscal Year. The fiscal year of the Corporation shall be determined by resolution of the Board of Directors.

Section 6.2. Seal. The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 6.3. Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 6.4. Indemnification of Directors, Officers and Employees. The Corporation shall indemnify to the full extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he or she, his or her testator or intestate is or was a director or officer of the Corporation or any predecessor of the Corporation or serves or served any other enterprise as a director, officer or employee at the request of the Corporation or any predecessor of the Corporation, against expenses (including counsel fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding to the full extent permitted by applicable law. During the existence of the Corporation, the Corporation shall obtain and maintain such insurance coverage (including products liability coverage, and directors' and officers' errors and omissions coverage) as the directors and/or officers may require. All such insurance coverage shall be obtained through carriers, and shall be in such amounts, on terms, and with such deductibles as the directors and/or officers may reasonably require. In addition, upon the liquidation of the Corporation, and prior to any distributions in such liquidation, the Corporation shall purchase so-called "tail coverage" for products liability and directors and officers errors and omissions coverage, prepaid for a period of four (4) years, on the terms approved by the directors and/or officers.

Section 6.5. Interested Directors; Quorum. No contract or transaction between the Corporation and one or more of its directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his, her, or their votes are counted for such purpose, if: (i) the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii)

the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 6.6. Form of Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account, and Minute Book, may be kept on or be in the form of any information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect the same.

Section 6.7. Amendment of Bylaws. These bylaws may be altered or repealed, and new bylaws made, by the Board of Directors, but the stockholders may make additional bylaws and may alter and repeal any bylaws, whether adopted by them or otherwise.

Adopted as of February 4, 2021

**List of subsidiaries of Public Policy Holding Company, Inc.**

The following are the subsidiaries of Public Policy Holding Company, Inc. as of May 20, 2025, excluding certain subsidiaries which are not, alone or in the aggregate, significant subsidiaries as defined in Rule 1-02(w) of Regulation S-X :

<b>Name of Subsidiary</b>	<b>Jurisdiction of Incorporation</b>	<b>Equity interest (%)</b>
Crossroads Strategies, LLC	Delaware	100
Forbes Tate Partners LLC	Delaware	100
Blue Engine Message & Media, LLC (doing business as Seven Letter)	Delaware	100
O'Neill & Partners, LLC (doing business as O'Neill & Associates)	Delaware	100
Alpine Group Partners, LLC	Delaware	100
KP Public Affairs LLC	Delaware	100
MultiState Associates, LLC	Delaware	100
Concordant LLC	Delaware	100
Lucas Public Affairs, LLC	Delaware	100
Pagefield Communications Limited	United Kingdom	100
TrailRunner International, LLC	Delaware	100

