

Report of the Directors and
Financial Statements for 12 months ended
31 December 2025

SpaceandPeople plc

SpaceandPeople plc

Highlights

Financial highlights

- Revenue increased by 20% to £8.0 million (2024: £6.7 million)
- Operating profit up 74% to £0.6 million (2024: profit of £0.3 million)
- Basic Earnings per share increased by 53% to 21.6p (2024: 14.1p)
- Strong operating cash generation with cash inflow from operations of £1.3 million (2024: £0.8 million)
- Net cash* at year end increased by 59% to £1.6 million (2024: £1.0 million), following the full repayment of all bank borrowings during the year

**Gross cash less borrowings*

Operational highlights

- Strong UK Brand performance, including an unusually strong first half, delivering over 3,000 days of live activations across more than 300 venues
- Substantial growth delivered across all divisions, with UK Promotions, UK Retail and Germany all achieving double digit revenue growth
- Continued expansion of the Rock Up and Pop Up (“RUPU”) offering, with 34 kiosks trading at year end (2024: 26), supporting flexible retail and acquisition services
- Further progress in European expansion, including the securing of an exclusive contract with Berlin’s largest shopping centre, Gropius Passagen
- Investment made in people, marketing and infrastructure, including the establishment of a new UK operations hub in Daventry and recruitment of a Group Head of Marketing

SpaceandPeople plc

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SpaceandPeople plc

Chair's Statement

For the 12 months ended 31 December 2025

The last year has seen a strong financial performance by the Group, with significant revenue and profit growth in all areas and, importantly, the full repayment of all bank borrowings incurred during COVID-19 period. The Group has continued to make progress against its strategic objectives, including product development and European expansion, although further progress remains to be delivered. These areas will remain a key focus in 2026.

Key business developments and the financial performance of the Group for the year ended 31 December 2025 are covered in more detail in Nancy Cullen's Chief Executive Officer's Review and Gregor Dunlay's Operating and Financial Review and therefore not repeated here.

Strategic growth opportunities in the UK and Europe remain, although the Board is mindful of increased geopolitical and macroeconomic uncertainty affecting the Group's core markets. As referenced last year, investment in new technology tools to support expansion and improve efficiency has continued and these initiatives remain on track for further rollout across the business during 2026.

SpaceandPeople continues to be a cash generative business with modest capital expenditure requirements, notwithstanding the investment in new IT systems during 2025 and 2026. The Board has previously noted its intention to return to dividend payments at a suitably prudent time, subject to distributable reserves being generated. This is not expected in the near term and will remain dependent on the continued delivery of strong and consistent financial performance.

My thanks go to John Scott who resigned during the period, for his advice, input and time spent supporting the business. As usual, I would again like to thank all colleagues across the Group and my fellow Board members for a year of strong financial performance and achievement. I believe strongly in the growth opportunities available to the business and the potential for another year of positive results delivery in 2026.



George Watt
Chair
28 April 2026

SpaceandPeople plc

Chief Executive Officer's Review

For the 12 months ended 31 December 2025

2025 was a significant year for SpaceandPeople as we marked our 25th anniversary. It was also a year of continued revenue and profit growth, reflecting the current strength of our commercial strategy and the incredibly hard work of our teams across the whole business. Whilst all sales departments performed strongly, there was a notable and exceptional first-half performance for our UK Brand department alongside continued momentum in the Rock Up and Pop Up ("RUPU") department.

The strong start to the year enabled us to make several important investment decisions during 2025 about how we move forward and communicate with customers in an increasingly digital world. These decisions focused on technology to improve the customer journey and create more personalised, insight driven engagement, with the benefits expected to become increasingly visible throughout 2026.

Promotions UK

We delivered a very strong H1 in 2025, which is traditionally significantly weaker than H2, with spend across the technology sector and a plethora of nicotine replacement products as major contributors to sales during the period. In the technology sector, one client Samsung activated over 297 days during the year using a multi city experiential programme to bring new devices and AI features to life. The activity combined immersive sets, demos and staff-led interactions across travel hubs, shopping venues and campuses, giving customers a hands on experience with their latest technology.

Sampling activity was the single largest booking type in 2025, with "brand-to-hand" making up around half of all bookings. Experiential activations were the next largest component, accounting for almost half of bookings, with residual activity split across pop-up retail, live stunts and acquisition campaigns.

Over the year, we booked space for activations in over 300 venues in towns and cities across the UK, spanning local shopping centres to major national travel hubs. Food and drink activations dominated the experiential sector and there was a particularly strong presence from products such as Rockstar, Kettle Chips, Fridge Raiders and Bon Maman. In the summer months, alcohol brands brought elaborate custom builds to external locations, providing the public with experiences alongside product sampling. As an example, Rekorderlig's "Cold Sauna" activation at Broadgate London, to mark the release of their Peach and Raspberry flavour, involved installing a giant peach shaped cold sauna, inviting the public to cool off inside with a free can of cider.

We have been seeing and reporting a growth in beauty brand activity taking space for both experiential and mid-mall retail for a couple of years now and this trend continued into 2025 with over 60 activations from major beauty brands, including Charlotte Tilbury, Lush and Dior in Q4. Beauty now represents a core category within Brand activity, with campaigns heavily weighted towards H2, where offerings are primarily gifting-led and delivered through a mix of counter-style formats and immersive installs.

Overall, the department delivered over 3,000 days of live activations showcasing over 200 different brands during the year.

Adoption of CORE has continued to increase during 2025, maturing into a widely adopted industry platform, providing robust data and insights that help our brand clients and agencies select the optimal activation locations for their campaigns. The platform, which is accessible through the IPM (Institute of Promotional Marketing) website, as well as via our brand team, was recently awarded a prize by EACA (the European Association of Communications Agencies) in recognition of CORE's ability to strengthen and assist decision making for brands buying experiential media.

Retail UK

Our UK retail department delivered a strong year with retailers continuing to book space across indoor and outdoor locations. Q4, in particular, saw a surge of indoor pop-up activity across categories including craft, alcohol, gifting and other seasonal retail. We are also seeing growth in the outdoor retail market with some major indoor retail operators now looking to take space in our retail and shopping park portfolio.

Demand for our Rock Up and Pop Up product grew significantly over the year with major brands seeking flexible, short-term retail solutions to test and trial new locations for future stores as well as supplementing their existing store offer at key times of the year for their products. We welcomed a number of high profile brands to our portfolio, including Thomas Sabo, Happy Socks, Vieve, and children's educational brand, Mrs Wordsmith and we continue to be in discussion with many of these brands regarding expanded activity in 2026.

We are also seeing an increase in socially prolific and digital-first brands entering physical retail as part of their broader omnichannel strategy, notably within the permanent jewellery and Korean skincare markets, both of which expanded their presence in shopping malls during the year using our Rock Up and Pop Up service as the conduit for their launch.

Our ability to provide our landlord partners with new retail opportunities from trending products and for nascent brands to be able to start or expand their physical footprint is hugely important to SpaceandPeople and we are delighted with the way in which our retail offering is developing. The desirability and success of this product with property companies enables us to attract the UK's premium venues and the take up by established retail brands as well as start-up retailers is very encouraging. As previously reported, and to support this growth, we relocated our Operations division to Daventry in 2025 and, most importantly, we have now established a professional and highly capable team who are able to design, build and deliver kiosks to a very high standard. This move is enabling us to scale our product and service offering significantly and to talk to top tier brands about this unique and flexible service.

In a further evolution of our services and mirroring the success of our pop up retail offer, we have started to market and sell a product specifically designed to support the growth of acquisition services. The solution, called Engage, mirrors the Rock Up and Pop Up offering and includes the provision of space plus a branded digital kiosk and optional staffing. We expect an expansion of this initiative through 2026–27, aligned with the general growth in subscription-based sales.

Retail Germany

Revenue in our German business continues to grow steadily and we were delighted to secure an exclusive contract with Berlin's largest mall, Gropius Passagen, in Q4 2025. This centre offers our German team multiple retail, brand and acquisition opportunities and moves this business further into alignment with our core UK business.

We have further strengthened our operations capabilities in Germany, securing additional revenue during the year from the supply of vending furniture and from pop up shops.

In parallel, we are also beginning to see an increase in brand activity in Europe and we intend to accelerate this growth through closer collaboration between our German and UK teams throughout 2026.

Marketing & Digital Transformation

We took the decision during 2025 to make a significant investment in our marketing and digital capability with the recruitment of a new Group Head of Marketing, who will play a central role in enhancing our brand presence and customer engagement. Our investment in marketing is pivotal to the future development of SpaceandPeople, as sales pipelines and outreach at scale for new business becomes ever more automated. Our investment in marketing will enable us to maximise our exposure by focussing on digital content, search engine optimisation and our social presence creating warm leads at scale for our sales teams which will match and support modern buyer behaviour.

The focus on marketing is central and timed to coincide with a major investment in our systems and digital infrastructure. Our digital transformation programme which we started in 2025 remains on track, with completion scheduled for H2 2026. This project includes a completely new consumer facing website incorporating a detailed venue search and booking interface and a wide range of technology enhancements to streamline and automate the booking process. These developments will support a stronger, smoother and simpler customer experience across our entire platform and are attuned to the changing habits of our space buyers. This entire project will be supported by a complete brand refresh for SpaceandPeople, with stronger, cleaner positioning, a new brand voice and maximisation of our content to ensure strong organic search ability, better social engagement and additional momentum and attention for the business.

Outlook

We are seeking further growth in 2026 across all our teams, but with a specific focus on our pop up services (Rock Up and Pop Up and Engage) which are completely unique offerings in our market sector. We are aware, however, that the business is continuing to operate against a backdrop of increasingly severe economic headwinds, including inflationary pressures, higher interest rates and cautious consumer sentiment. These conditions have created cost pressures within our industry and we have already seen evidence of more conservative purchasing across the Brand market in Q1, as a direct result of this. We are hopeful however, that with the launch of new digital products, enhanced brand engagement, an increased marketing focus and the continued development of services aligned closely with the needs of promoters, retailers and venue partners, we can enjoy another good year at SpaceandPeople.

Finally, in our 26th year of operation, I would like to take this opportunity to thank the many people who have been involved in SpaceandPeople since its inception. This includes my co-founder, Matthew Bending, many of our shareholders and a number of colleagues in the business who have worked tirelessly over the last 25 years to develop SpaceandPeople and move this business forward.

A handwritten signature in black ink that reads "Nancy Cullen". The signature is written in a cursive, flowing style.

Nancy Cullen
Chief Executive Officer
28 April 2026

SpaceandPeople plc

Operating and Financial Review

For the 12 months ended 31 December 2025

The Group performed well in 2025, with revenue, profitability and operating cashflow all improving year on year and exceeding original expectations. Performance in H1 was particularly strong, primarily as a result of significantly higher UK promotional revenue as some brands ran large campaigns during the traditionally quieter first quarter of the year. Overall, all areas of the business delivered growth in 2025 compared with 2024 and the business continued to invest in new staff, new resources and significant IT development during the year while delivering a profit before tax of £0.49 million (2024: £0.22 million) and fully repaying its bank borrowings.

Revenue

Net revenue* generated in 2025 was £6.50 million, an increase of £1.05 million (19%) compared with the previous year, comprised as follows:

	2025	2024	
	£ million	£ million	Movement
UK promotions	4.95	4.08	+21%
UK retail	0.56	0.52	+7%
German retail (net of cost of sales)*	0.99	0.85	+16%
Total	6.50	5.45	+19%

**Note: In line with IFRS 15, UK revenue is recognised on a net (agent) basis, with German revenue recognised on a gross (principal) basis, due to its performance conditions. For the purpose of the table above, German revenue has been presented on a net basis to provide a direct comparison between divisions. German revenue on a gross basis amounted to £2.52 million for FY25 (FY24: £2.12 million), as detailed in note 4 to the financial statements.*

Net UK promotional revenue was up 21% to £4.95 million compared with the previous year. This was primarily due to a strong performance in Brand Experience bookings, particularly in H1 of 2025, with good performance across all promotional areas.

In the UK retail division, the continuing roll out of our RUPU business mitigated the drop off in old Retail Merchandising Unit (“RMU”) business as this product was phased out. We ended the year with 34 RUPU kiosks in operation in December 2025 compared with 26 in December 2024. These kiosks are increasingly attractive to venue owners, retailers and brands and, as a result, we have been able to expand into a growing number of premium venues with desirable brands.

German net retail revenue grew by 16% in 2025 compared with 2024, continuing the positive momentum of this business that we have experienced over the past few years. This increase in revenue has been driven by increased brand experience revenue along with provision of additional services such as shop fit outs and mall furniture.

Administrative Expenses

Administrative costs including depreciation increased by £0.86 million (16%) from the previous year to £6.28 million. The majority of the increase was as a result of increased staff costs, with further staff recruitment (average headcount increased from 62 to 66) and commission and bonus targets being met as revenue exceeded targets together with ongoing wage inflation. The business also relocated its UK operations base from Barking to larger premises in the Midlands. The cost benefits of this will be felt from 2026 onwards.

Other Operating Income

Other operating income in relation to the recharge of incidental costs increased by 20% to £0.34 million (2024: £0.28 million). This income is generated by the German retail division and grew in line with the increase in revenue in this division as it is closely aligned with sales volumes.

Operating Results

As a result of the increase in revenue in 2025, Group operating profit increased to £0.56 million, compared with £0.32 million achieved in 2024.

Earnings Per Share

In 2025, Basic Earnings per Share was 21.6p (2024: 14.1p) and Diluted Earnings per Share was 19.3p (2024: 12.8p).

Cash Flow

The Group cash inflow from operations was £1.33 million (2024: £0.76 million). This was driven by positive EBITDA of £0.94 million (2024: £0.62 million) with the remainder being due to movements in working capital. During 2025, the Group was able to repay its remaining term loans of £0.84 million. As a result, net cash at the end of 2025 was £1.64 million (2024: £1.04 million).

Net assets

The Group's net assets increased from £3.47 million in 2024 to £3.90 million at the year-end as a result of the improved performance during the year.

Whilst the Group's value of goodwill remains unchanged at £5.38 million, its value is particularly sensitive to assumptions applied to its impairment review relating to discount rates and forecast revenue growth, notably for the Group's RUPU service offering. We consider the assumptions applied to be reasonable and supportable, taking into account historical performance, current trading and the pipeline of new business opportunities. Despite the sensitivity, we remain confident in the Group's plans and future growth prospects



Gregor Dunlay
Chief Financial Officer
28 April 2026

Strategic Report

For the 12 months ended 31 December 2025

Review of Business and Future Developments

The results for the period and the financial position of the Group are shown in the financial statements on pages 33 to 36. The review of the business and a summary of future developments are included in the Chair's Statement, the Chief Executive Officer's Review and the Operating and Financial Review on page 3, pages 4 to 6 and pages 7 to 8.

Key Performance Indicators

The main financial key performance indicators are profit before taxation, Earnings per Share and available cash. During the year, the profit before taxation was £0.5 million (2024: £0.2 million) and net cash at 31 December 2025 was £1.64 million (2024: £1.04 million). Basic EPS was 21.6p (2024: 14.1p).

The Group continually monitors several key areas:

- revenue against target and prior period;
- profitability against target and prior period;
- venue acquisition, performance and attrition;
- promoter and operator types compared with historic bookings; and
- commission and occupancy rates.

	2025	2024
Revenue (£ million)	8.0	6.7
Operating profit (£ million)	0.6	0.3
Basic earnings per share (p)	21.6	14.1

Principal Risks and Uncertainties

The principal risks identified in the business are:

Loss of client(s) – Each year a number of the Group's contracts with clients come to an end. At this point, some are renewed, some are not renewed and others are renegotiated. When the amount of business that we transact with an established client reduces, it can take time to replace this income with business from new clients. The Group is not overly reliant on any single client and the loss of a significant client, although unwelcome, would not put the viability of the business at risk.

Macro-economic and environmental factors – Inflation due to geopolitical events and the resulting cost of living pressure continues to have an impact on the level of discretionary expenditure in the UK and Germany, both in relation to promoter and retailer spending with the Group and consumer expenditure in the retail environment. The impact is also felt by the business through increases in staff costs and other overheads. The business actively looks to implement new developments and working practices to mitigate the effects of these risks and uncertainties wherever possible. The Group's direct exposure to movements in the price of oil is limited as heating and fuel costs movements do not cause a material effect on overheads, however, they may have an effect on footfall in venues and the level of discretionary spend both with promoters and consumers. The Group's exposure to other climate related risks is predominantly related to any macroeconomic issues in our major operating territories and is kept under review.

Loss of key personnel – The unexpected loss of a member of our senior management team could have a negative effect on the business in the short term, however, we have a senior management team who meet regularly and are encouraged to engage with and assist their colleagues in other areas of the business to ensure that understanding and exchange of ideas is a core element of their roles. This ensures that the risk to the business is mitigated significantly while we seek to replace the member or conduct a reorganisation of the team. We also have a staff development plan in place to ensure that succession relating to senior management roles is managed as effectively as possible.

Ability to attract high quality staff – The ability to continue to attract and retain employees with the appropriate expertise and skills cannot be guaranteed. Identifying and hiring any additional personnel and replacements could be costly and timely. If the Group is unable to hire, train and retain such personnel in a timely manner, this could adversely impact the Group's strategy. The Group mitigates this risk by continuing to monitor their staffing requirements on a regular basis.

Financial instruments – Our financial risk management objectives are to ensure sufficient working capital and cash flow for the Group and to ensure there is sufficient support for its strategy. This is achieved through careful management of our cash resources. No treasury transactions or derivatives are entered into. Further information can be found below and in note 20 to the financial statements.

Interest rate risk – The Group's bank overdraft facility is secured by a floating charge over the Group's assets and is subject to interest at 2.5% per annum over the Bank of England base rate. There is a risk that base rates increase and adversely impact the Group's operating cash flows, however, the Group mitigates this risk by using the overdraft facility only as little as possible as it is in place as a seasonal working capital facility and the drawn overdraft at the year-end was £nil.

Credit risk – The Group is exposed to credit risk from its operating activities, namely its trade receivables. This risk is managed by undertaking regular credit evaluations of its customers and utilising credit control software. The Group is aware that customers' financial strength may have been adversely affected by factors such as pressures in the retail environment, cost of living concern, inflation and increased cost of borrowing. We endeavour to work with our customers and venue partners to provide appropriate discounts and payment plans to enable them to continue to trade and repay any amounts owed in an agreed manner. The Group does not routinely offer credit terms to the majority of customers.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses on trade receivables. To measure the expected credit losses, trade receivables were considered on a days past due basis. The expected loss rates are based on the Group's historical default rates adjusted for forward looking estimates.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into and abide by a repayment plan with the Group and a failure to make agreed contractual payments. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of any amounts are credited against the same line item.

System failure – Whilst no guarantees can be given that all possible eventualities are covered, the Group has comprehensive and strict policies and contingency plans concerning power outages, telecommunications failure, virus protection, hardware and software failure, frequent and full offsite backup of all data and disaster recovery.

Contracts and service level agreements are in place with reputable suppliers to ensure that any disruption and risk to the business is kept to an absolute minimum.

The adequacy and appropriateness of these policies and plans are reviewed on a regular basis. Hardware and systems upgrades and improvements are performed regularly. Our disaster recovery process is tested regularly. Our IT systems have been updated significantly during the past two years and we are currently undertaking a full replacement of our core booking system which will be completed during 2026 which will be more modern and robust than our existing systems.

Legal claims – The Group constantly reviews its exposure to possible legal claims and takes appropriate advice and action to protect both itself and its clients where any avoidable risk is identified, for example, by amending terms and conditions, service agreements, licences and/or risk assessments.

Health and safety – The health and safety of our employees and any visitors to any of our sites is of utmost importance. We are fully committed to complying with all relevant laws and regulations in order to provide a safe and healthy environment. The UK business is ISO 45001 certified which proactively improves our occupational health and safety systems.

Cyber security – The Group has robust systems in place to protect all data held on its IT systems. All corporate and personal data relating to clients, licensees and staff is held on secure servers, in encrypted files and behind robust firewalls that are subject to penetration testing and are upgraded regularly. The appropriateness and effectiveness of our cyber security is tested by external advisors on a regular basis and the business is Cyber Essentials Plus accredited.

Financial reporting – A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. This budget is revised twice throughout the year given the inherent subjectivity in our revenue streams and performance against the budget and forecasts is reviewed by the management team on a monthly basis and by the Board at each Board meeting with any necessary changes in actions and performance carried out accordingly.

If the Board believes that as a result of the performance to date during the year, or as a result of any changes to the forecasts for the remainder of the year, the results of the Group are likely to differ materially from the results that are expected by the market, the Board will communicate this to the market at the earliest possible opportunity.

The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group's activities are clear, fair and accurate. The Group's website is regularly updated and announcements or details of presentations and events are posted onto it.

Banking covenants – The Group has banking covenants in relation to its borrowing facilities. Compliance with these covenants is assessed on an ongoing basis and any actual or potential breach would be communicated to the Board and all other relevant parties as required.

Foreign exchange risk – due to having operations in both the UK and Germany, the Group is exposed to transaction effects when it incurs costs or generates revenue in a different currency to its functional currency, which is British Sterling. The Group's policy is, where possible, to settle liabilities denominated in a currency other than its functional currency with cash already denominated in that currency.

S172 Statement

Summary

The Directors believe that they have acted in the way they consider to be both in good faith and would be most likely to promote the success of the company for the benefit of its members as a whole. The duties of the directors are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A Director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

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

The Directors have a business plan which is based around achieving the Group's business vision of growing experiential marketing and pop-up retailing throughout the markets we operate in, expanding into new markets and territories and maintaining and further developing our position as the predominant operator in our marketplace.

Business conduct and relationships

We understand the importance of engaging with all our stakeholders and the Directors regularly discuss issues concerning employees, clients, suppliers, community and environment, health and safety and shareholders which inform our decision-making processes. The Directors are aware that their strategic decisions can have long-term implications for the business and its stakeholders, and these implications are carefully assessed.

The continued development and maintenance of positive working relationships and partnerships with clients, customers, employees and our supply chain are fundamental to the future success of the business. We work hard to develop and maintain these relationships as they are central to our sustainable business ethos. Our aim is to build strong stable long-term working relationships with them and to be fair and transparent in all our dealings.

Employees

We believe the core strength of the company is its people and we are committed to being a responsible business and employer. The company aims to recruit, develop, motivate and retain the best talent. For the business to succeed we need to engage and enable our people to perform at their best, develop their skills and capabilities, while ensuring we operate as efficiently and productively as possible.

Education, training and continuing professional development remain of key importance to the group and we continually invest in this area. We take active steps to ensure that the views and interests of our people are captured and considered in our decision-making. Equally, we ensure employees are kept up to date with information regularly as regards to the Group's strategy and performance.

Community & environment

The Company's environmental commitment is to adopt and promote industry standards and best practices, enhancing awareness of environmental responsibilities and a reduction in harmful emissions. The business is ISO:14001 Certified. The Company continues to be actively involved and supportive of its local communities and particularly in relation to homeless charities. We support our people who regularly engage in volunteering and charitable activities at a local level and we actively promote and recognise their achievements throughout the organisation.

Shareholders & investors

The Directors are committed to openly engaging with our shareholders and investors through investor presentations, regulatory announcements and ongoing communication, as we recognise the importance of transparency and a continuing effective dialogue. It is important to us that all stakeholders understand our strategy and objectives, and the group is committed to considering properly their questions, issues or feedback received.

By order of the Board



Gregor Dunlay
Company Secretary
24 April 2026

SpaceandPeople plc

Report of the Directors

For the 12 months ended 31 December 2025

The Directors present their annual report and audited financial statements of SpaceandPeople plc for the 12 months ended 31 December 2025.

Principal Activities

SpaceandPeople is the UK and Germany's largest provider of commercial and promotional space and retail solutions for businesses looking to promote and acquire new customers in shopping centres, retail parks, railway stations and many other high footfall locations. The Group delivers demographically tailored destinations and end to end services for its customers creating vibrant commercial and experiential activity and income for property owners.

The strategy, objectives and business model of the Group are developed by the Executive Directors and the senior management team and then approved by the Board. The management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

Principal Risks and Uncertainties

The group has chosen, in accordance with Companies Act 2006, s. 414C(11), to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the Report of the Directors. It has done so in respect of financial instruments and associated risks.

The principal risks and uncertainties affecting the Group are explained in the Strategic Report on pages 9 to 12.

Dividends

No dividend was paid during 2025 (2024: no dividend). The Directors are not proposing a final dividend in relation to the 2025 results.

The Directors and Their Interests

The Directors who served during the period under review were:

W G Watt	Non-Executive Chair
N J Cullen	Chief Executive Officer
A J Keiller	Chief Operating Officer
G R Dunlay	Chief Financial Officer
J Scott	Non-Executive Director (resigned 12 May 2025)
M Brown	Non-Executive Director

Directors' interests in the ordinary shares of the Group and in share options are disclosed in the Remuneration Report on pages 23 to 25.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Substantial Shareholdings

At the date of this report, the following substantial shareholdings representing more than 3% of the Group's issued share capital, have been notified to the Group:

Ordinary Ip Shares	Number	%
J R Barker	300,000	15.18
R Kent	160,000	8.10
A V Stirling	157,850	7.99
A Stocks	135,115	6.84
D Hatton	123,000	6.22
R & V Millington	95,000	4.81
G V L Oury	84,000	4.25
N J Cullen	68,800	3.48
Raymond James Wealth Management Ltd	59,610	3.02

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with UK adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the AIM Market.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Directors' Report and Directors' Remuneration Report.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statement as to Disclosure of Information to Auditors

At the date of this report, as far as each of the Directors is aware:

- there is no relevant audit information (as defined in the Companies Act 2006) of which the Group's auditors are unaware; and
- each Director has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

Going Concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. In satisfaction of this responsibility the Directors have considered the Group's ability to meet its liabilities as they fall due.

The Group meets its day-to-day cash requirements through working capital management and the use of its bank overdraft where required. Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity.

The current and future financial position of the Group, including its cash flows and liquidity, continue to be reviewed by the Directors. Cash flow projections through to the end of 2027 have been prepared, incorporating anticipated receipts, expected payments and planned operational cash requirements. These projections indicate that the group will have sufficient liquidity to meet its obligations as they fall due.

The Directors take a pragmatic view on the continuing recovery in the Group's business in light of current inflationary and other macroeconomic factors impacting on the business, its customers and suppliers. They have also considered the Group's ability to withstand the loss of key contracts and any mitigating actions that would be available to them.

To manage working capital requirements, the Group has an overdraft facility of £1m which falls due for renewal in September 2026. Whilst the facility currently remains unutilised, the Group fully anticipates this being renewed in the normal course of business in advance of the renewal date. Financial covenants are in place that reflect the current and budgeted trading position.

The Group continues to manage its cash flows prudently and the Directors are confident that the management of working capital, the current resources and available funding facilities will provide sufficient headroom to meet the forecast cash requirements whilst remaining within its financial covenants.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

Donations

There were no donations to political parties during the period (2024: £nil).

Financial Risk Review

Detailed financial risk management objectives and policies are disclosed in note 20 in the accounts.

Employment Policies

The Group is committed to complying with applicable employment laws in each country in which it operates and to fair employment practices, including prohibiting all forms of discrimination as well as granting equal access and fair treatment to all employees on the basis of merit. Wherever possible we provide the same opportunities for disabled people as for others and if employees become disabled, we would make every effort to keep them in our employment, with appropriate training where required.

Health and Safety Policies

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility in this area. The Group has a Health and Safety policy which is enforced rigorously and is ISO 45001 certified.

Auditor

Azets Audit Services have expressed their willingness to continue in office as auditors of the Group and their re-appointment will be proposed at the Annual General Meeting to be held on 16 June 2026.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'G. Dunlay', with a long horizontal flourish extending to the right.

Gregor Dunlay
Chief Financial Officer
28 April 2026

Introduction

SpaceandPeople plc is quoted on the AIM Market of the London Stock Exchange and has adopted the principals of the Quoted Companies Alliance Corporate Governance Code (the “QCA Code”), establishing governance procedures and policies that are considered appropriate to the nature and size of the Group. This report sets out the procedures and systems currently in place and explains why the Board considers them to be effective. The Board is committed to maintaining high standards of corporate governance and reviews the requirement to comply with the QCA Code on a regular basis. The Group now applies the 2023 QCA Code with effect from the financial year commencing 1 January 2025.

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

The principal objective of the Group is to market and sell promotional and retail space on behalf of our clients throughout the countries in which we operate.

The strategy, objectives and business model of the Group are developed by the Executive Directors and the senior management team, and then approved by the Board. The management team, led by the Chief Executive Officer, is responsible for implementing the strategy and managing the business at an operational level.

The Group has a diverse portfolio of shopping centre, railway station and retail park clients and continuously looks for new clients and potential revenue streams to help grow and diversify the business and deliver sustainable growth in value for shareholders.

The Group diversifies its risk by having a number of clients in different territories, none of which on their own would put the viability of the business at risk should they terminate the relationship.

A detailed explanation of the strategy, KPIs, risks and uncertainties and purpose is set out in the Strategic Report on pages 9 to 12.

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

Ethical values and behaviours are fundamental to the Group’s business model and culture, and are reinforced by the Board. We are fully committed to implementing, maintaining and developing the highest standards of integrity, behaviour, honesty and responsibility. The board regularly discusses corporate culture in its board meetings. There have been no deviations from these principles that need to be reported.

To assist in driving these values and behaviours, the Group promotes and raises awareness of relevant policies to all staff and stakeholders including:

- Employee conduct and behaviour:
- Systems and controls:
- Share dealing and market abuse:
- Anti bribery and corruption:
- Health and safety:
- Environmental impact:
- Equal opportunities: and
- Whistleblowing.

3. Seek to understand and meet shareholder needs and expectations

The Group seeks to maintain regular dialogue with both existing and potential shareholders in order to communicate the Group’s strategy and progress and to understand the needs and expectations of shareholders.

Beyond the Annual General Meeting, the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer meet regularly with investors and analysts to provide them with updates on the Group's business and to obtain feedback regarding the market's expectations of the Group.

The Company also endeavours to maintain a dialogue and keep shareholders informed through its public announcements and Company website. SpaceandPeople's website provides not only information specifically relevant to investors (such as the Group's annual report and accounts and investor presentations), but also regarding the nature of the business itself with considerable detail regarding the services it provides and the manner in which it carries on its business. The Group also engages with current and prospective shareholders through presentations of interim and final financial statements on the Investor Meet Company platform.

The Annual General Meeting of the Company, normally attended by all Directors, provides the Directors the opportunity to report to shareholders on current and proposed operations and developments, and also enables shareholders to express their views of the Group's business activities. Shareholders are encouraged to attend and are invited to ask questions during the meeting and to meet with the Directors after the formal proceedings have ended.

4. Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long term success

The Group is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups. These include the Group's employees, clients and suppliers. The Group's operations and working methodologies take account of the need to balance the needs of all of these stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its members as a whole. The Group endeavours to take account of feedback received from stakeholders, making amendments to working arrangements and operational plans where appropriate and where such amendments are consistent with the Group's longer-term strategy.

The Group takes due account of any negative impact that its activities may have on the environment and seeks to minimise this wherever possible. Through the various procedures and systems, it operates, the Group ensures full compliance with health and safety and environmental legislation relevant to its activities and is ISO 9001, 14001 & 45001 certified.

5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board is responsible for the systems of risk management and internal control and for reviewing their effectiveness. The internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. Through the activities of the Audit Committee, the effectiveness of these internal controls is reviewed twice annually.

A summary of the principal risks and uncertainties facing the Group, as well as mitigating actions, are set out on pages 9 to 11 of this report.

A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. This budget is revised twice throughout the year and performance against the budget and forecasts is reviewed by the management team on a monthly basis and by the Board at each Board meeting.

The Group maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Group. The insured values and type of cover are comprehensively reviewed on a periodic basis.

6. Maintain the Board as a well-functioning, balanced team led by the Chair

SpaceandPeople's Board currently comprises 3 Executive Directors and 2 Non-executive Directors, including a Non-executive Chair who is responsible for leadership by the Board and ensuring all aspects of its role.

All of the Directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and will continue to seek re-election at least once every three years.

The Board is responsible to the shareholders for the proper management of the Group and meets at least nine times a year to set the overall direction and strategy of the Group and to review operational and financial performance. All key operational and investment decisions are subject to Board approval.

A summary of Board and Committee meetings held in the year ended 31 December 2025, and Directors' attendance records, is set out on page 21.

The Board considers itself to be sufficiently independent and adheres to the QCA Code recommendation that a board should have at least two independent Non-executive Directors. All of the Non-executive Directors who currently sit on the Board of the Company are regarded as independent under the QCA Code's guidance for determining such independence.

7. Maintain appropriate governance structures and ensure that individually and collectively, the directors have the necessary up-to-date experience, skills and capabilities

The Board considers that all of the Non-executive Directors are of sufficient competence and calibre to add strength and objectivity to its activities.

The Board regularly reviews its composition to ensure that it has the necessary breadth and depth of skills to support the ongoing development of the Group.

The Chair, in conjunction with the Company Secretary, ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Group, its operational environment and to the Directors' responsibilities as members of the Board. During the year, the Directors received updates from the Company Secretary and various external advisers on a number of corporate governance matters.

Directors' service contracts or appointment letters and the terms of reference of the sub-committees of the Board make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities.

All Directors of the Board have sufficient time, availability, skills and expertise to perform their roles and this is regularly reviewed by the Board. The Board has considered other roles that each Non-Executive Director has outside of the Company and consider that they are able to devote such time as is necessary for the proper performance of their duties and attend all Board meetings, unless good reason is provided in advance.

The Board has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities. George Watt chairs the Audit Committee and Michael Brown chairs the Remuneration Committee. The Group considers that, at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nominations Committee. Instead, appointments to the Board are made by the Board as a whole. This position, however, is reviewed on a regular basis by the Board.

The Audit Committee normally meets twice a year and at other times if necessary, and has responsibility for, amongst other things, planning and reviewing the annual report and accounts and interim statements involving, where appropriate, the external auditors. The Committee also approves external auditors' fees and ensures the auditors' independence as well as focusing on compliance with legal requirements and accounting standards. It is also responsible for ensuring that an effective system of internal control is maintained. The ultimate responsibility for reviewing and approving the annual financial statements and interim statements remains with the Board. The Company's external auditors are invited to attend meetings of the Committee on a regular basis.

The Remuneration Committee, which meets as required, but at least once a year, has responsibility for making recommendations to the Board on the compensation of senior executives and determining, within agreed terms of reference, the specific remuneration packages for each of the Executive Directors. It also supervises the Company's share incentive schemes and sets performance conditions for share options granted under the schemes.

The Remuneration Report for the year ended 31 December 2025 is set out on pages 23 to 25 of this report.

8. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Group's Directors are evaluated each year by way of peer appraisal. The appraisal seeks to determine the effectiveness and performance of each member with regards to their specific roles as well as their role as a Board member in general.

The appraisal system seeks to identify areas of concern and make recommendations for any training or development to enable the Board member to meet their objectives which will be set for the following year. The appraisal process will also review the progress made against prior period targets to ensure any identified skill gaps are addressed.

Whilst the Board considers this evaluation process is currently best carried out internally, the Board will keep this under review and may consider independent external evaluation reviews in the future.

As well as the appraisal process, the Board monitor the Non-executive Directors' status as independent to ensure a suitable balance of independent Non-executive and Executive Directors remains in place.

The Board may utilise the results of the evaluation process when considering the adequacy of the composition of the Board and for succession planning. Succession planning is formally considered by the Board on an annual basis, in conjunction with the appraisal process.

9. Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

The Group's remuneration policy is managed to ensure that the interests of Executive Directors and senior management is aligned with those of shareholders and other stakeholders in the business. It supports the purpose and strategy by ensuring that remuneration levels are appropriate for the size, complexity and objectives of the business. It also ensures that any bonuses are based on KPIs that are aligned with the Group's targets and strategy. This ensures that the leadership team is motivated to deliver sustainable, long-term value in a way that is consistent with our corporate culture. Remuneration is comprised of basic salary, pension contributions and private health benefits along with targeted share option awards and performance bonuses. Performance bonuses can be made up of cash, shares or a combination of both.

Commencing with the 2026 AGM, the Board will put the Annual Remuneration Report to an advisory shareholder vote following the publication of the updated QCA code. This aligns with best practice guidance and provides shareholders an opportunity to express their views on the group's approach to the executive team.

10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group's activities are clear, fair and accurate. The Group's website is regularly updated and announcements or details of presentations and events are posted onto the website.

The results of voting on all resolutions in future general meetings will be posted to the Group's website, including any actions to be taken as a result of resolutions for which votes against have been received from at least 20 per cent of independent shareholders.

Each year at the Annual General Meeting ("AGM"), one-third of the Directors are required to retire by rotation, provided all Directors are subject to re-election at intervals of no more than three years. This year Nancy Cullen and Michael Brown are scheduled to retire by rotation. Both directors have confirmed their willingness to be put forward for re-election.

Attendance at Board and Committee Meetings

Attendance of Directors at Board and Committee meetings convened in the year, along with the number of meetings that they were invited to attend, are set out below:

	Board		Remuneration Committee		Audit Committee	
	Held	Attended	Held	Attended	Held	Attended
N Cullen – Chief Executive Officer	9	9	-	-	-	-
G Dunlay – Chief Financial Officer	9	9	-	-	-	-
A Keiller – Chief Operating Officer	9	9	-	-	-	-
M Brown – Non-executive Director	9	9	1	1	1	1
J Scott – Non-executive Director ¹	3	3	1	1	1	1
W G Watt – Non-executive Chair	9	9	1	1	2	2

¹ Resigned as a director on 12 May 2025

Audit Committee

During 2025, the Audit Committee comprised George Watt (Chair), John Scott (until 12 May 2025) and Michael Brown (from 12 May 2025). The Board considers that the members of the Committee have recent and relevant financial experience. If required, the Committee is entitled to request independent advice at the Company's expense for it to effectively discharge its responsibilities.

The Committee's main roles and responsibilities are to:

- monitor the integrity of the financial statements of the Group;
- review the Group's arrangements in relation to whistleblowing and fraud;
- make recommendations to the Board to be put to shareholders for approval at the AGM, in relation to the appointment of the Company's external auditor;
- discuss the nature, extent and timing of the external auditor's procedures and findings; and
- report to the Board whatever recommendations it deems appropriate on any area within its remit where action or improvement is needed.

The Committee is scheduled to meet twice in each financial year and at other times if necessary. The Group's external auditor is invited to attend such meetings with the Audit Committee as required throughout the year.

The external auditor has the opportunity during meetings with the Audit Committee to meet privately with the committee members excluding executive management.

The Committee monitors the relationship with the external auditor to ensure that auditor independence and objectivity are maintained.

Significant financial statement reporting matters

The Committee considered whether the Financial Statements are fair, balanced and provide the necessary information and disclosures for shareholders. In doing so, the Committee assessed whether suitable accounting policies were adopted and the reasonableness of estimates and judgements used in the preparation of the financial statements including those in relation to:

- Going concern
- The valuation of Goodwill and judgements on impairment
- Recognition of revenue
- Allowances for expected credit losses

As part of their considerations, the committee received updates from management and the auditors with regards to the above areas. The Committee was satisfied that the financial statements for the year ended 31 December 2025 achieved these objectives.

Audit process

The external Auditor prepares an audit plan for the review of financial statements which sets out the scope, specific areas of risk and the audit timetable. This plan is reviewed and agreed in advance. Following completion of the audit fieldwork, the Auditor presented their findings to the Audit Committee for discussion, including those on the areas identified above.

Internal control procedures

The Board is responsible for the Group's system of internal controls and risk management and has established systems to ensure that an appropriate level of oversight and control is provided. The systems are reviewed for effectiveness annually by the Audit Committee and the Board. The Group's systems of internal control are designed to help the business meet its objectives by appropriately managing, rather than eliminating, the risks to those objectives, and to provide reasonable, but not absolute assurance against material misstatement or loss. Executive Directors and senior management meet to review both the risks facing the business and the controls established to minimise those risks and their effectiveness in operation on an on-going basis. The aim of these reviews is to provide reasonable assurance that material risks and problems are identified and appropriate action is taken at an early stage.

Relations with shareholders

The Board recognises the importance of regular and effective communication with shareholders. The primary forms of communication are:

- the annual and interim financial statements;
- investor and analyst presentations and discussions;
- announcements released to the London Stock Exchange; and
- the Annual General Meeting.

On behalf of the Board



George Watt
Chair
28 April 2026

SpaceandPeople plc

Remuneration Report

For the 12 months ended 31 December 2025

Remuneration Committee

The Group has a Remuneration Committee comprising the two Non-Executive Directors, Michael Brown (Chair) and George Watt.

The Committee's main roles and responsibilities are to:

- determine and agree with the Board the remuneration of the Group's Chief Executive, Executive Directors and such other members of the executive management as it is designated to consider;
- review the on-going appropriateness and relevance of the remuneration policy;
- approve any performance related pay schemes and approve the total annual payments made under such schemes; and
- review share incentive plans and for any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors and other senior executives and the performance targets to be used.

The Committee meets at least once a year.

Remuneration of Executive Directors

The Group's policy on the remuneration of Executive Directors is to provide a package of benefits, including salary, bonuses and share options, which reward success and each individual's contribution to the Group's overall performance in an appropriate manner. The remuneration packages of the Executive Directors comprise the following elements:

- Basic salary – The Remuneration Committee sets basic salaries to reflect the responsibilities, skill, knowledge and experience of each Executive Director.
- Bonus scheme – The Executive Directors are eligible to receive a bonus in addition to their basic salary conditional upon both the Group and the individual concerned achieving their performance targets. Performance targets for the year were based on achievement of key contract renewals and profit targets for the business, specifically on the key metric of Profit Before Tax.
- Pensions – Pension contributions to individuals' personal pension plans are payable by the Group at the rate of 5% of the individual Director's basic salary. The Group operates a salary sacrifice scheme that enables Directors to sacrifice a proportion of their salary in exchange for additional employer's pension contributions.
- Share options – The Group operates a share option plan for both Executive Directors and employees. Further details of the plan and outstanding options as at 31 December 2025 are given in note 24 to the financial statements. The Group established the SpaceandPeople plc Employee Benefit Trust for the purpose of satisfying current and future potential option exercises.
- Other benefits – The Executive Directors are entitled to join the Group's Private Medical Insurance scheme.

All the Executive Directors are engaged under service contracts which require a notice period of 12 months.

Remuneration of Non-Executive Directors

The remuneration of the Non-Executive Directors is determined by the Executive Directors to support the recruitment and retention of Non-Executive Directors with the necessary breadth of skills and experience. Non-Executive directors are paid a base fee, with additional fees payable for chairing a board committee. Reasonable business expenses may be re-imbursed. As recommended by the QCA code, Non-Executive Directors do not participate in performance-related schemes.

Directors' remuneration

Details of individual Directors' emoluments for the year are as follows:

	Salary or fees	Bonuses	Benefits	Pension contributions	2025	2024
	£	£	£	£	£	£
W G Watt	35,834	-	-	-	35,834	34,960
N Cullen	144,818	64,446	3,136	60,000	272,400	279,430
G Dunlay	148,818	84,446	4,859	36,000	274,123	280,118
A Keiller	176,017	86,833	6,084	8,801	277,735	280,607
J Scott ¹	18,960	-	-	-	18,960	27,746
M Brown	28,440	-	-	-	28,440	27,746
	552,887	235,725	14,079	104,801	907,492	930,607

¹ Resigned as a Director on 12 May 2025

Directors' interests in shares

The interests of the Directors in the shares of the Company at 31 December 2025, together with their interests at 31 December 2024, were as follows:

	Number of ordinary 10p shares	
	31 December 2025	31 December 2024
Nancy Cullen	68,800	133,300
George Watt	47,200	34,700
Andrew Keiller	13,500	1,500
Gregor Dunlay	13,500	1,000

Directors' interests in share options

The interests of the Directors at 31 December 2025, in options over the ordinary shares of the Company were as follows:

	At 31 December 2024	Granted	Exercised	Surrendered	Lapsed	At 31 December 2025	Exercise Price	Date of Grant	Date from which exercisable	Expiry date
Nancy Cullen	2,500 ¹	-	-	-	-	2,500	125p	30/06/21	30/06/24	30/06/31
	15,000 ¹	-	-	-	-	15,000	102.5p	24/08/22	24/08/25	24/08/32
	9,000	-	-	-	-	9,000	60p	21/12/23	21/12/26	21/12/33
	-	22,500	-	-	-	22,500	10p	30/05/25	30/05/28	30/05/35
Gregor Dunlay	13,750 ¹	-	-	-	-	13,750	125p	30/06/21	30/06/24	30/06/31
	15,000 ¹	-	-	-	-	15,000	102.5p	24/08/22	24/08/25	24/08/32
	9,000	-	-	-	-	9,000	60p	21/12/23	21/12/26	21/12/33
	-	22,500	-	-	-	22,500	10p	30/05/25	30/05/28	30/05/35
Andrew Keiller	13,750 ¹	-	-	-	-	13,750	125p	30/06/21	30/06/24	30/06/31
	15,000 ¹	-	-	-	-	15,000	102.5p	24/08/22	24/08/25	24/08/32
	9,000	-	-	-	-	9,000	60p	21/12/23	21/12/26	21/12/33
	-	22,500	-	-	-	22,500	10p	30/05/25	30/05/28	30/05/35
Total	102,000	67,500	-	-	-	169,500				

¹ Performance criteria for these options have been fully met as at the date of this report

The share options are split between having performance and non-performance criteria.



Michael Brown
Chair of the Remuneration Committee
28 April 2026

Independent Auditor's Report

To the members of SpaceandPeople PLC

Opinion

We have audited the Group and Parent Company financial statements (the financial statements) of SpaceandPeople PLC (the "parent company" and its subsidiaries ("the group")) for the year ended 31 December 2025 which comprise the following:

- Consolidated Statement of Comprehensive Income;
- Consolidated and Parent Company Statement of Financial Position;
- Consolidated and Parent Company Statement of Changes in Equity;
- Consolidated and Parent Company Cash Flow Statement; and
- The notes to the financial statements, including material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Our approach to the audit

We planned our audit by obtaining an understanding of the group and parent company, including their environment, the nature of operations and controls in place across the business. In establishing the overall approach to our audit, we assessed the risk of material misstatement, considering the nature, likelihood and potential magnitude of any misstatement. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Our risk assessment considered both the group and its individual components, focusing on areas that gave rise to heightened risks of material misstatement. This included considerations such as the recognition of revenue and impairment of goodwill.

We tailored our approach to the audit to reflect how the group is structured as well as ensuring our audit was both effective and risk focused. The group consists of Spaceandpeople PLC and one subsidiary (the German retail entity). Both entities were in the scope of audit work. The parent company was subject to full scope audit on an individual basis whilst we performed specific audit procedures on account balances or classes of transactions deemed to be at a higher risk of misstatement (such as revenue) for the German retail entity. As such, we performed full or specific audit procedures on both components, giving audit scope coverage of 100% Revenue and 95% of Total Assets. In addition, we also performed audit work at a group level including on the consolidation of the group's results and the preparation of the financial statements and disclosures. No component auditors were instructed, with all audit work carried out by the group audit team.

Key audit matters

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

Key audit matter	Description of key audit matter
Goodwill £5.38m (2024: £5.38m) (Group and company) Valuation	Goodwill relates to the UK Retail cash generating unit (CGU) and is subject to an annual impairment review under IAS 36. Management establish its value in use, using a discounted cashflow model. This takes into account a number of significant assumptions around growth in Rock Up and Pop Up (RUPU) revenue streams, allocation of costs to the CGU, discount rates applied and terminal growth rate. The above estimates and assumptions are inherently subjective and uncertain and therefore this is considered to be a key audit matter.
Summary of auditor's response to key audit matter	
In order to address this matter we:	
<ul style="list-style-type: none">▪ Examined management's impairment review and assessed its appropriateness and compliance with the requirements of IAS 36.▪ Checked the impairment model for arithmetic accuracy and compared the methodology to prior years for consistency in approach.▪ Evaluated the reasonableness of key assumptions and estimates in the impairment model, including projected future cash flows, revenue growth rates, terminal growth rates, and discount rates, against historical performance, market data, and other internal and external available information.▪ Tested the valuation model to assess the impact of changes in the assumptions used.▪ Compared the value of discounted future cash flows to carrying value of Goodwill in order to quantify any impairment.▪ Assessed the adequacy of disclosures made in the financial statements including sensitivity analysis around the key assumptions.	
Our procedures did not reveal any material issues.	

Key audit matter	Description of key audit matter
<p>Revenue recognition £8.04m (2024 - £6.72m) (Group) <i>Risk of fraud within revenue recognition</i> <i>Accuracy, occurrence, cut off, presentation and classification</i></p>	<p>Within both the UK promotion and retail segments, the group has performance obligations which involves it acting as an agent for, and invoicing on behalf of, customers. There is a risk that third party revenues are included in group revenue. Furthermore, revenue is a key performance indicator for the group and is subject to internal and external stakeholder focus, which may create pressure on management to achieve forecast results and therefore is an inherent risk of fraudulent financial reporting. With significant judgement around agent versus principal and inherent fraud risk, this is therefore considered a key audit matter.</p>

Summary of auditor's response to key audit matter

In order to address this matter we:

- **Assessed and evaluated the design and implementation of key controls over revenue recognition.**
- **Reviewed contractual arrangements with customers and third parties, including new or amended contracts entered into during the year, to evaluate management's assessment of principal versus agent status under IFRS 15, with particular focus on the group's UK promotion and retail revenue streams.**
- **Carried out substantive testing to provide assurance that sums invoiced on behalf of, and sums that are owed to third parties, are recorded accurately, and presented appropriately in the financial statements.**
- **Tested, on a sample basis, transactions where the group acts as an agent to confirm that revenue is recognised on a net commission basis only.**
- **Performed substantive testing on a sample basis over the occurrence, accuracy and cut off of revenue.**
- **Applied data-analytic procedures to the full population of revenue transactions to identify unusual or unexpected patterns, trends or anomalies that could indicate inappropriate recognition, and followed up identified items through detailed testing.**
- **Performed substantive testing over the accuracy of information included in the group's customer relationship management system (CRM) and tested the reconciliation of revenue recorded in the CRM system to the general ledger, investigating and corroborating reconciling items.**
- **Reviewed bookings through the CRM system and invoices raised around the year-end to assess whether revenue was recognised in the appropriate accounting period.**
- **Tested deferred income balances, including re-performing the calculation of deferred income and agreeing underlying amounts to supporting documentation, to confirm that revenue had not been recognised prematurely.**

Our procedures did not identify any material issues.

Our application of materiality

In applying materiality, we considered both quantitative and qualitative factors to determine the level of misstatement that could reasonably influence the economic decisions of users. This assessment guided the scope of our audit work, the nature and extent of procedures performed, and the evaluation of identified misstatements. We determined the benchmarks and thresholds with reference to the entity's financial performance, risk profile and stakeholder expectations. Performance materiality was set at a level designed to reduce to an appropriately low probability that the aggregate of undetected and uncorrected misstatements would exceed overall materiality.

	Group	Parent
Overall materiality	£159,000	£109,000
Performance materiality	£111,000	£76,000

In determining our benchmark for materiality, we have considered the metrics used by investors and other users of the financial statements. Given the group's lower levels (and volatility) in profit, we determined that Profit/Loss before tax would not be an appropriate benchmark for calculating materiality for the current year audit. Instead, we have determined materiality using the benchmark of Revenue which is a key principal consideration in the performance of the group and a key driver of shareholder value. As a trading entity, materiality for the Parent company has been determined on the same basis. We determined the measurement percentage used to be commensurate with the risk and complexity of the audit and the group's listed status. In the prior year, revenue was used as the key benchmark to determine materiality resulting in an overall group materiality of £135,000 and company materiality of £91,000. There has been no change to the measurement percentage applied compared to the prior year.

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. In determining performance materiality, we considered the quality of the control environment and the nature, volume and size of uncorrected misstatements arising in the previous audit; and the nature, volume and size of uncorrected misstatements that remain uncorrected in the current period.

We agreed with those charged with governance that we would report any differences above £8,000, as well as any misstatements below this threshold that, in our judgement, warranted reporting on qualitative grounds. For example, an immaterial misstatement as a result of fraud. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Conclusions relating to going concern

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

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

- Evaluating management's cash flow forecasts, assessing their arithmetical accuracy and performing sensitivity analysis to assess the impact on liquidity and covenant headroom should actual trading performance and cash flows fall behind the levels forecast by management.
- Challenging management on the key assumptions underpinning the forecasts, including whether these assumptions were consistent with historical performance, current trading conditions, and our understanding of the group's business.
- Discussing with management any potential actions that could be taken within their control should trading performance deteriorate from forecast levels, and considering the plausibility of such actions solely in forming our audit judgement.
- Assessing the reliability of management's forecasting process by comparing prior year forecasts to actual outcomes, to understand the historical accuracy of management's assumptions and forecasts.
- Obtaining an understanding of the group's latest cash position and evaluating the nature, availability and terms of financing facilities in place.

- Reviewing post year end management accounts and board minutes to identify events or conditions arising after the reporting date that could impact the group's liquidity position or going concern assessment.
- Evaluating the adequacy and completeness of the disclosures in the financial statements relating to going concern.

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement of the financial statements or a material misstatement of the other information.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- The information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the group or parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, represent instances of non-compliance with laws and regulations. In line with our responsibilities, we designed and performed audit procedures to identify material misstatements arising from such irregularities. The extent to which our procedures are capable of detecting irregularities, including fraud, is described below.

Based on our understanding of Spaceandpeople PLC and the industry in which they operate, we identified the laws and regulations that present the greatest risk of material misstatement in the financial statements. This involved distinguishing between those with a direct effect on the preparation of the financial statements from those where non-compliance could reasonably have a material impact, informed by our understanding of the sector, the regulatory environment and the group's and company's internal compliance processes.

We considered the laws and regulations most relevant to the group and parent company to be: UK adopted international accounting standards, the Companies Act 2006, UK tax legislation, the Alternative Investment Market (AIM) Rules for Companies and UK Tax legislation.

We obtained an understanding of how Spaceandpeople PLC complies with these laws and regulations through enquiries of management and those charged with governance including those of component entities, where relevant. We corroborated these enquiries by reviewing board minutes, tax filings and other correspondence.

We assessed the susceptibility of the group's and parent company's financial statements to material misstatement due to irregularities, including how fraud might occur, which included evaluating:

- management's incentives, pressures and opportunities to commit fraud;
- areas of the financial statements requiring significant judgement or estimation;
- the overall control environment and governance structure;
- known fraud risk factors in the industry and regulatory environment.

In addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, we identified a fraud risk in relation to revenue recognition, and the accuracy, completeness and valuation of other creditors (in relation to balances due to shopping centres and other principals).

Audit procedures performed to address the risk of material misstatement of the financial statements due to fraud by the group engagement team included but were not limited to:

Risk	Audit procedures performed
Management override of controls	<ul style="list-style-type: none">▪ Testing journals and adjustments using data analytics to identify characteristics of potential bias or override.▪ Evaluating significant accounting estimates for evidence of management bias.▪ Making enquiries of management and those charged with governance, and reading board and committee minutes to identify indicators of management bias, pressures on financial reporting, or matters relevant to the risk of management override of controls.▪ Remaining alert to opportunities for collusion or override and evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.


Accuracy, occurrence, and cut off of revenue recognition	<ul style="list-style-type: none"> ▪ The key audit matters section of our report explains the matter in more detail and also provides further information on procedures carried out.
Accuracy, completeness and valuation of other creditors	<ul style="list-style-type: none"> ▪ Evaluating the design and implementation of systems and controls underpinning the accounting process. ▪ Assessing the arithmetical accuracy of the relevant schedules of balances. ▪ Reviewing the schedules of balances and investigating items that were large, old or unusual in nature to obtain assurance over the valuation. ▪ Examining adjustments made during the year for anything unusual or exceptional. ▪ Carrying out substantive testing to obtain assurance that sums invoiced on behalf of, and sums that are owed to third parties, are recorded accurately, are complete, and disclosed in the financial statements. ▪ Performing substantive testing on a sample of items to supporting documentation to obtain assurance over the accuracy and valuation of balances. ▪ Reviewing post year end payments and invoices for completeness of balances.

There are inherent limitations in the audit procedures described above. Non-compliance with laws and regulations that is further removed from the financial reporting process is inherently more difficult for us to detect. The risk of not detecting a material misstatement resulting from fraud is higher than for one arising from error, because fraud may involve deliberate concealment, collusion, forgery, intentional misrepresentation, or override of controls.

Our audit procedures may include testing complete populations using data-analytic techniques; however, they more commonly involve selecting items for testing based on their size, risk characteristics or through sampling. Audit sampling enables us to draw conclusions about the population, but it does not guarantee that all misstatements, whether due to fraud or error, will be detected.

Use of our report

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

Azets Audit Services 

Alan Brown (Senior Statutory Auditor)

For and on behalf of Azets Audit Services Limited

Statutory Auditor
Titanium 1
King's Inch Place
Renfrewshire
PA4 8WF

28 April 2026

SpaceandPeople plc

Consolidated Statement of Comprehensive Income

For the 12 months ended 31 December 2025

	Notes	12 months to 31 December 2025	12 months to 31 December 2024
		£'000	£'000
Continuing Operations			
Revenue	4	8,035	6,723
Cost of sales	4	(1,530)	(1,270)
Gross profit		6,505	5,453
Administration expenses	4	(6,278)	(5,416)
Other operating income	5	339	282
Operating profit	6	566	319
Finance income	8	16	15
Finance costs	8	(91)	(109)
Profit before taxation		491	225
Taxation	9	(79)	44
Profit after taxation		412	269
Other comprehensive income			
Foreign exchange differences on translation of foreign operations		(19)	(10)
Total comprehensive income for the period		393	259
Earnings per share			
Basic	23	21.6p	14.1p
Diluted	23	19.3p	12.8p

SpaceandPeople plc

Consolidated Statement of Financial Position

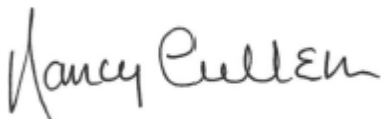
At 31 December 2025

Company number SC212277

	Notes	31 December 2025 £'000	31 December 2024 £'000
Assets			
Non-current assets:			
Goodwill	11	5,381	5,381
Intangible assets	12	111	-
Property, plant & equipment	13	1,228	613
Deferred tax asset	15	215	294
		6,935	6,288
Current assets:			
Trade & other receivables	14	1,846	1,804
Cash & cash equivalents	16	1,644	1,872
		3,490	3,676
Total assets		10,425	9,964
Liabilities			
Current liabilities:			
Trade & other payables	17	5,905	5,417
Borrowings repayable within one year	18	-	211
Lease liabilities	19	226	128
		6,131	5,756
Non-current liabilities:			
Borrowings repayable after one year	18	-	625
Lease liabilities	19	393	114
		393	739
Total liabilities		6,524	6,495
Net assets		3,901	3,469
Equity			
Share capital	21	197	195
Share premium		4,895	4,868
Special reserve		233	233
Own shares held	25	(50)	(50)
Retained earnings		(1,374)	(1,777)
Total equity		3,901	3,469

The financial statements were approved by the Board of Directors and authorised for issue on 28 April 2026.

Signed on behalf of the Board of Directors by:



Nancy Cullen – Director

SpaceandPeople plc

Consolidated Statement of Cash Flows

For the 12 months ended 31 December 2025

	Notes	12 months to 31 December 2025 £'000	12 months to 31 December 2024 £'000
Cash flows from operating activities			
Profit before taxation		491	215
Adjustments for:			
Depreciation and amortisation		374	297
Share based payment expense		10	3
Interest received		(16)	(15)
Interest paid		91	109
Increase / (decrease) in trade and other receivables		(42)	(5)
(Increase) / decrease in trade and other payables		488	280
Cash generated from operations		1,396	884
Interest paid	8	(43)	(109)
Effect of foreign exchange rate movements		(19)	(10)
Net cash inflow from operating activities		1,334	765
Cash flows from investing activities			
Purchase of property, plant & equipment	13	(435)	(226)
Purchase of intangible assets	12	(111)	-
Interest received	8	16	15
Net cash outflow from investing activities		(530)	(211)
Cash flows from financing activities			
Bank facility payments		(836)	(322)
Payment of lease obligations	19	(225)	(232)
Issue of share capital		29	-
Net cash outflow from financing activities		(1,032)	(554)
(Decrease) / increase in cash and cash equivalents		(228)	-
Cash and cash equivalents at beginning of period		1,872	1,872
Cash and cash equivalents at end of period	16	1,644	1,872

SpaceandPeople plc

Consolidated Statement of Changes in Equity

For the 12 months ended 31 December 2025

	Share capital	Share premium	Special reserve	Own Shares held	Retained Earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	195	4,868	233	(50)	(2,039)	3,207
Comprehensive income:						
Foreign currency translation	-	-	-	-	(10)	(10)
Profit for the period	-	-	-	-	269	269
Total comprehensive income	-	-	-	-	259	259
Equity settled share-based payment	-	-	-	-	3	3
At 31 December 2024	195	4,868	233	(50)	(1,777)	3,469
Comprehensive income:						
Foreign currency translation	-	-	-	-	(19)	(19)
Profit for the period	-	-	-	-	412	412
Total comprehensive income	-	-	-	-	393	393
Equity settled share-based payment	-	-	-	-	10	10
Exercise of share options	2	27	-	-	-	29
At 31 December 2025	197	4,895	233	(50)	(1,374)	3,901

SpaceandPeople plc

Notes to the Financial Statements

For the 12 months ended 31 December 2025

1. General information

SpaceandPeople plc is a public company limited by shares incorporated and domiciled in Scotland (registered number SC212277) which is listed on AIM (dealing code SAL). The address of the company's registered office is shown on the company information page. The principal activities of the company and its subsidiaries (the Group) and the nature of its operations are set out in the Directors Report.

2. Basis of preparation

The Group's financial statements have been prepared under the historical cost convention as described in the accounting policies. All other accounting policies are consistent with those in the previous year. The financial statements are presented in Sterling, which is the functional currency of the Group and are rounded to thousands (£'000).

Compliance Statement

These financial statements have been prepared in accordance with UK adopted international accounting standards (UK-adopted IAS), in conformity with the requirements of the Companies Act 2006.

Going Concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. In satisfaction of this responsibility the Directors have considered the Group's ability to meet its liabilities as they fall due.

The Group meets its day-to-day cash requirements through working capital management and the use of its bank overdraft where required. Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity.

The current and future financial position of the Group, including its cash flows and liquidity, continue to be reviewed by the Directors. Cash flow projections through to the end of 2027 have been prepared, incorporating anticipated receipts, expected payments and planned operational cash requirements. These projections indicate that the group will have sufficient liquidity to meet its obligations as they fall due.

The Directors take a pragmatic view on the continuing recovery in the Group's business in light of current inflationary and other macroeconomic factors impacting on the business, its customers and suppliers. They have also considered the Group's ability to withstand the loss of key contracts and any mitigating actions that would be available to them.

To manage working capital requirements, the Group has an overdraft facility of £1m which falls due for renewal in September 2026. Whilst the facility currently remains unutilised, the Group fully anticipates this being renewed in the normal course of business in advance of the renewal date. Financial covenants are in place that reflect the current and budgeted trading position.

The Group continues to manage its cash flows prudently and the Directors are confident that the management of working capital, the current resources and available funding facilities will provide sufficient headroom to meet the forecast cash requirements whilst remaining within its financial covenants.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

Accounting developments

New and revised IFRSs applied

<u>Title</u>	<u>Implementation</u>	<u>Effect on Group</u>
Lack of Exchangeability (Amendment to IAS 21)	1 January 2025	No material impact to the financial statements.

The following amendments will be introduced in future periods

<u>Title</u>	<u>Implementation</u>	<u>Effect on Group</u>
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026	No material impact to the financial statements.
Contracts Referencing Nature-dependent electricity (Amendments to IFRS 9 and IFRS 7)	1 January 2026	No material impact to the financial statements.
Annual Improvements to IFRS Accounting Standards — Volume 11	1 January 2026	No material impact to the financial statements.
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	This may result in additional disclosure or presentation changes.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	No material impact to the financial statements.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

3. Accounting policies

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss of goodwill is recognised directly in the consolidated statement of

comprehensive income within administration expenses. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investments in subsidiaries

The Parent Company's investments in subsidiary undertakings are included in the Company statement of financial position at cost, less provision for any impairment in value.

Revenue

Revenue is measured at the transaction price of consideration received or receivable. Revenue is shown net of value-added tax, rebates and discounts and after eliminating intergroup sales. Revenue is recognised when the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the Group and when the relevant performance obligation is satisfied. Revenue does not contain a financing component nor any element of variable consideration.

Promotion divisions

The group considers that it has one distinct performance obligation, to act as promotional space agent on behalf of centre owners. This performance obligation includes the following services:

- marketing of spaces to licensees.
- entering into licence agreements on behalf of the centres as agent.
- managing licence agreements on behalf of the centre as agent.

The group considers that it is acting as agent as it bears minimal vacancy and credit risk, and receives a contracted fixed % commission rate for providing the services.

The group recognises the net commissions within revenue, which are recognised over the period a promotion event takes place and is agreed by all parties.

Retail divisions

UK

The group considers that it has two separately identifiable performance obligations, to act as promotional space agent on behalf of centre owners and to lease kiosks to vendors on short term rentals. The two performance obligations are considered to be distinct within its contracts.

Acting as promotional space agent includes the following services:

- marketing of spaces to licensees.
- entering into licence agreements on behalf of the centres as agent.
- managing licence agreements on behalf of the centre as agent.

The Group owns and leases its kiosks on short term rentals. As such, it considers that it has control over them and that it acts as principal in respect of that performance obligation.

The group receives the contracted commission from centre owners in respect of the whole contract. Revenue is then allocated between each performance obligation by reference to the stand-alone selling prices. The group then recognises contracted net commissions in respect of promotional space agent services and gross rental income in respect of the short-term lease of kiosks. These are both recognised over the period a promotion event takes place and is agreed by all parties.

Germany

Whereas in the UK, the licence, management, and marketing of space on behalf of a centre is considered to occur on an agent basis, in Germany, the contracts indicate a higher degree of control over the promotional space before it is passed to vendors including increased levels of vacancy risk, credit risk, price discretion and vendor selection discretion that indicate that the group is acting as principal in these transactions.

All revenue from the German retail division from the short term rental of kiosks and the services noted above is thus recognised on a gross basis over the period a rental takes place and is agreed by all parties.

Other operating income

Other operating income relates to recharges of ancillary costs such as electricity to customers renting kiosks. It is measured at the transaction price of consideration received or receivable and recognised over the period a rental takes place and is agreed by all parties.

Leasing

IFRS 16 requires capitalisation of all leasing agreements with duration exceeding 12 months, whereas the previous regulations only required capitalisation of finance leases. The right-of-use asset and liability to be recognised for each leasing agreement is the present value of the lease payments.

The Group applied the following practical expedients as permitted by the standard on transition:

- non recognition of right of use assets and liabilities for leases of low value or for which the lease term ends within 12 months of the date of transition
- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the exclusion of initial direct costs for the measurement of the right of use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

At inception, the Group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an underlying identified asset for a period of time in exchange for consideration.

Where a tangible asset is acquired through a lease, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment.

The right-of-use asset is initially measured at cost, which comprises the present value of minimum lease payments determined at the inception of the lease. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the Group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the Group's estimate of the amount expected to be payable under a residual value guarantee; or the Group's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

The Group has made judgements in adopting IFRS 16 such as identifying contracts in scope for IFRS 16, determining the interest rate used for the discounting of future cashflows, and the determining lease terms where the lease has extension or termination options.

Property, plant & equipment

Depreciation is provided at the annual rates below in order to write off each asset over its estimated useful life.

Plant & equipment	-	12.5% of cost
Fixtures & fittings	-	25% of cost
Computer equipment	-	25% of cost
Computer software	-	33% of cost

Property, plant & equipment is stated at cost less accumulated depreciation to date.

The residual value and the useful life of an asset are reviewed, at least, at each financial period-end and if expectations differ from previous estimates, the changes are accounted for prospectively.

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

Intangible assets

The Group is undertaking the development of a replacement booking system, web platform and other integrated digital architecture to modernise the Group's technology and support scalable business operations. This is being developed through engagement with an external software consulting firm. The system constitutes internally controlled, externally developed software and meets the definition of an intangible asset in accordance with IAS 38 Intangible Assets, as the Group controls the system and is expected to obtain future economic benefits from its use.

Expenditure incurred prior to the system being available for use is recognised as Intangible assets under development until such time that the project is complete and ready for use. Amortisation will commence when the system becomes available for use.

Taxation

The tax credit or expense represents the sum of tax and deferred tax currently recoverable or payable. Tax currently recoverable or payable is based on the taxable loss or profit for the period. The Group's asset or liability for current tax is calculated using rates that have been enacted or substantially enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profits and is accounted for using the liability method. Deferred tax liabilities are recognised for all temporary timing differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition, other than in a business combination, of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Foreign exchange

Items included in the Group's financial statements are measured using Pounds Sterling, which is the currency of the primary economic environment in which the Group operates and is also the Group's presentational currency.

Transactions denominated in foreign currencies are translated into Sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates at that date. These translation differences are dealt with in the profit and loss account.

The income and expenditure of overseas operations are translated at the average rates of exchange during the period. Monetary items on the balance sheet are translated into Sterling at the rate of exchange ruling on the balance sheet date and fixed assets at historical rates. Exchange difference arising are treated as a movement in reserves.

Financial instruments

Financial assets and liabilities are recognised in the Group's balance sheet when it becomes a party to the contractual provisions of the instrument.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts.

Trade and other receivables

Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at original invoice value less an allowance for any uncollectable amounts.

If payment is due after more than one year or if there is any other indication of a financing transaction, trade and other receivables are recorded initially at fair value less attributable transaction costs. In this situation, fair value is equal to the amount expected to be received, discounted at a market-related interest rate.

All trade and other receivables are subsequently measured at amortised cost, net of impairment.

The Group recognises lifetime ECL (expected credit losses) for trade receivables, which are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

The Group writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Write offs are recognised in the income statement when identified.

Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost and comprise cash in hand, cash at bank and deposits with banks.

Trade and other payables

Trade and other payables are carried at amortised costs and represent liabilities for goods or services provided to the Group prior to the period end that are unpaid and arise when the Group becomes obliged to make future payments in respect of these goods and services.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Share based payments

The Group operates a number of equity settled share-based payment schemes under which share options are issued to certain employees. The fair value determined at the grant date of the equity settled share-based payment is expensed on a straight-line basis over the vesting period. For schemes with only market-based performance conditions, those conditions are considered in arriving at the fair value at grant date.

Pensions

The Group pays contributions to the personal pension schemes of the majority of employees. Contributions are charged to the income statement in the period in which they fall due.

Borrowing costs

Borrowing costs are amortised over the duration of the loan and recognised throughout the term of the loan.

Employee Benefit Trust

The Company has an established Employee Benefit Trust ("EBT") to which it is the sponsoring entity. Notwithstanding the legal duties of the trustees, the Company considers that it has 'de facto' control. The EBT is accounted for as assets and liabilities of the Company and is included in the financial statements. The Company's equity instruments held by the EBT are accounted for as if they were the Company's own equity and are treated as treasury shares ("Own Shares Held"). No gain or loss is recognised in profit or loss or other comprehensive income on the purchase, sale or cancellation of the Company's own equity held by the EBT.

Critical accounting judgements and estimates

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. IFRS also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The areas where significant judgements and estimates have been made in the preparation of these financial statements are the impairment of goodwill, revenue recognition on an agent or principal basis and recognition of deferred tax assets. Explanations of the methodology and the resultant assumptions are detailed below, in the relevant accounting policies and the respective notes to the financial statements.

Goodwill impairment assessment

At each reporting date the group tests goodwill for impairment in accordance with IAS 36. Whilst the group has three identifiable cash generating units (CGUs) being Promotion UK, Retail UK and Retail Germany, the goodwill arose on the acquisition of the historic POP Retail Limited business (now the Retail UK business division). The recoverable amount of the group's UK Retail sub-group cash generating unit is determined by calculating its value in use. The value in use calculation requires the group to estimate the future cash flows expected to rise from the CGU and use a suitable discount rate to calculate their present value. The value in use is then compared to the total of the relevant assets of the CGU. The value in use calculation requires the exercise of significant judgement and is sensitive to changes in key assumptions, specifically around the allocation of costs to the CGU, the discount rate applied and the anticipated growth of early-stage service offerings for Rock Up and Pop Up (RUPU) and Elevate. The Directors believe that these assumptions are reasonable and supportable, based on the Group's historical performance, current trading, and the pipeline of new business opportunities. However, the impairment assessment is highly sensitive to changes in these assumptions. The Directors have therefore performed sensitivity analysis, which indicates that impairment would arise if the pre-tax discount rate were to increase to 16.61%, if forecast RUPU revenues were reduced by more than 8% on an annual basis, or if forecast Elevate revenues were reduced by more than 27% on an annual basis. See note 11 for further details.

Principal versus agent

Significant judgement is required in determining whether the group is acting as principal, reporting revenue on a gross basis, or agent, reporting revenue on a net basis. The group evaluates its revenue against the following indicators when determining whether it is acting as principal or agent in a transaction:

- Whether it obtains control over the space before it is licenced to the customer.
- The level of vacancy ("Inventory") risk it bears.
- The level of credit risk it bears.
- Whether it receives a fixed % consideration in exchange for providing the services.
- The level of discretion it has in establishing vendor prices.
- Who the vendor would view as fulfilling the contract.
- The responsibilities of invoicing and cash collection.

The conclusion on whether revenue streams are reported gross or net is reliant on the assessment of the above and weighting applied to the responses to these criteria. When concluding on whether principal or agent treatment is appropriate, the group exercises significant levels of judgement due to the nature of the assessment.

Deferred tax asset

Deferred tax assets are recognised only if it is probable that sufficient future taxable profits will be available to utilise deductible temporary differences, unused tax losses, or tax credits. Recognition and measurement involves management judgment and estimates around the availability of future taxable profits,

The calculation of a deferred tax asset requires management to make judgements and estimates in respect of the extent to which it is probable that future taxable profit will be available to offset unused tax losses or other credits. The company estimates the most probable amount of future taxable profits using assumptions consistent with those in their budgets and forecasts. The company has concluded using business forecasts for the next 5 years. Any remaining tax losses remain unrecognised. The losses can be carried forward indefinitely and have no expiry date.

Expected credit loss provision

Trade receivables are impaired using the simplified approach under IFRS 9, whereby lifetime expected credit losses are recognised from initial recognition.

The measurement of expected credit losses requires judgement, particularly in:

- determining appropriate historical loss rates.
- assessing the impact of forward-looking economic information.
- identifying credit-impaired or defaulted receivables.

Historical loss experience is adjusted to reflect current and forecast economic conditions. Due to inherent uncertainty in expected future conditions and customer payment behaviour, actual credit losses may differ from the estimates used in determining the provision.

4. Segmental reporting

The Group splits its operating activities into two main areas, being promotions and retail. Retail is further sub-divided into both UK and German territories. The Group maintains its head office in Glasgow and has a subsidiary office in Hamburg, Germany. The Group has determined that these, along with head office functions, are the principal operating segments as the performance of these segments is monitored separately and reviewed by the Board.

The following tables present revenues and results regarding the Group's two core business segments - Promotional Sales and Retail, split by geographic area, after licence fees and management charges made between Group companies.

Segment revenues and

<u>Results</u>	Promotion	Retail	Retail	Head	Group
<u>for 12 months to</u>	UK	UK	Germany	Office	
<u>31 December 2025</u>	£'000	£'000	£'000	£'000	£'000
Segment Revenue:					
- Agent	4,952	343	-	-	5,295
- Principal	-	217	2,523	-	2,740
	4,952	560	2,523	-	8,035
Cost of sales	-	-	(1,530)	-	(1,530)
Administrative expenses	(3,476)	-	(1,148)	(1,280)	(5,904)
Other revenue	-	-	339	-	339
Depreciation	(125)	-	(23)	(226)	(374)
Segment operating profit / (loss)	1,351	560	161	(1,506)	566
Finance costs	-	-	-	(75)	(75)
Segment profit / (loss) before taxation	1,351	560	161	(1,581)	491

Segment revenues and

<u>Results</u>	Promotion	Retail	Retail	Head	Group
<u>for 12 months to</u>	UK	UK	Germany	Office	
<u>31 December 2024</u>	£'000	£'000	£'000	£'000	£'000
Segment Revenue:					
- Agent	4,076	344	-	-	4,420
- Principal	-	179	2,124	-	2,303
	4,076	523	2,124	-	6,723
Cost of sales	-	-	(1,270)	-	(1,270)
Administrative expenses	(3,211)	-	(923)	(985)	(5,119)
Other revenue	-	-	282	-	282
Depreciation	(69)	-	(29)	(199)	(297)
Segment operating profit / (loss)	796	523	184	(1,184)	319
Finance costs	-	-	-	(94)	(94)
Segment profit / (loss) before taxation	796	523	184	(1,278)	225

Management reviews and manages assets and liabilities on a geographic / corporate entity and head office basis. Segment assets include goodwill, property, plant and equipment, receivables and operating cash. Head office assets include deferred tax and head office right of use assets. Segment liabilities comprise operating liabilities. Head office liabilities include corporate borrowings.

<u>Segment assets and liabilities</u>	UK	Germany	Head Office	Group
<u>as at 31 December 2025</u>	£'000	£'000	£'000	£'000
Total segment assets	8,408	1,248	769	10,425
Total segment liabilities	(5,385)	(519)	(620)	(6,524)
Total segment net assets	3,023	729	149	3,901

<u>Segment assets and liabilities</u>	UK	Germany	Head Office	Group
<u>as at 31 December 2024</u>	£'000	£'000	£'000	£'000
Total segment assets	8,450	992	522	9,964
Total segment liabilities	(4,908)	(623)	(964)	(6,495)
Total segment net assets	3,542	369	(442)	3,469

5. Other operating income

Other operating income is comprised:

	12 months to December 2025 £'000	12 months to December 2024 £'000
Ancillary charges	339	282
	339	282

6. Operating profit

The operating profit is stated after charging:

	12 months to December 2025 £'000	12 months to December 2024 £'000
Depreciation of property, plant and equipment	148	98
Depreciation of right of use assets	194	199
Auditor's remuneration:		
Fees payable for:		
Audit of Company	62	57
Audit of subsidiary undertakings	10	9
Audit related services	9	11
Tax compliance	4	4
Other tax services	1	2
Other services	-	2
	86	85
Directors' remuneration	907	931

7. Staff costs

The average number of employees in the Group during the period was as follows:

	12 months to December 2025	12 months to December 2024
Executive Directors	3	3
Non-executive Directors	2	3
Administration	16	18
Sales	34	23
Commercial	4	8
Maintenance	7	7
	66	62

	12 months to December 2025 £'000	12 months to December 2024 £'000
Wages and salaries	3,606	3,213
Social Security costs	521	432
Pensions	178	204
	4,305	3,849

Details of Directors' emoluments, including details of share option schemes, are given in the remuneration report on pages 23 to 25. These disclosures form part of the audited financial statements of the Group. The number of directors for whom retirement benefits are accruing under defined contribution schemes amounts to 3 (2024: 3).

8. Finance income / costs

	12 months to December 2025 £'000	12 months to December 2024 £'000
Finance income	(16)	(15)
Interest payable on borrowings	43	88
Interest payable on lease obligations	48	21
	75	94

9. Taxation

	12 months to December 2025	12 months to December 2024
	£'000	£'000
Current tax expense:		
Current tax on profits for the year	-	-
Adjustment for under/(over) provision in prior periods	-	-
Total current tax	-	-
Deferred tax:		
Credit in respect of temporary timing differences	96	(44)
Adjustment for under/(over) provision in prior periods	(17)	-
Total deferred tax	79	(44)
Income tax expense / (credit) as reported in the income statement	79	(44)

The tax assessed for the period differs to the standard rate of corporation tax in the UK. The differences are explained below:

	12 months to December 2025	12 months to December 2024
	£'000	£'000
Profit on ordinary activities before tax	491	225
Profit on ordinary activities at the standard rate of corporation tax in the UK of 25% (2024: 25%)	123	56
Tax effect of:		
- Adjustment for under provision in prior periods	(18)	-
- Other timing differences	(15)	(23)
- Expenses not deductible in determining taxable profit	6	-
- Change in unrecognised deferred tax assets	(17)	(77)
Income tax / (credit) as reported in the Income Statement	79	(44)

10. Dividends

No dividends were paid during the current or prior year. The Directors do not recommend a final dividend for 2025 (2024: £nil).

11. Goodwill

Cost	£'000
At 31 December 2023	8,225
Additions	-
At 31 December 2024	<u>8,225</u>
Additions	-
At 31 December 2025	<u>8,225</u>
Accumulated impairment losses	
At 31 December 2023	2,844
Charge for the period	-
At 31 December 2024	<u>2,844</u>
Charge for the period	-
At 31 December 2025	<u>2,844</u>
Net book value	
At 31 December 2023	<u>5,381</u>
At 31 December 2024	<u>5,381</u>
At 31 December 2025	<u>5,381</u>

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units (CGUs) that are expected to benefit from that business combination. The Directors consider that the businesses of the UK Retail sub-group are an identifiable CGU and the carrying amount of Goodwill is allocated against this CGU.

The recoverable amount of the cash generating unit was determined based on value-in-use calculations, covering a detailed forecast, followed by an extrapolation of expected cash flows based on the targeted and expected growth rate over the next five years followed by a terminal factor determined by management.

The present value of the future cash flows is then calculated using a pre-tax discount rate of 15.33% (2024: 13.23%).

This discount rate includes appropriate adjustments to reflect, in the Directors' judgement, the market risk and specific risk of the CGU. Changes in the discount rate compared to the prior year reflect the latest market assumptions for the risk-free rate, equity risk premium and the cost of debt.

The growth rate utilised in calculation of the terminal factor is based on expected inflationary growth in the UK beyond the period of forecasting. The growth rate used was 1.46% (2024: 1.44%).

Cash flow projections during the budget period are based on the group's approved budget for 2026. Future years growth in EBITDA is set at an average rate other than the RUPU ("Rock up and Pop up") and Elevate revenue streams which are in an early-stage growth phase.

Forecast revenues during the budget period for RUPU and Elevate are set to grow at:

	RPU	Elevate
2027	32%	85%
2028-2029	10%	24%
2030	10%	10%

Overall, the Directors are confident in the plans for the businesses and the potential increased returns particularly in relation to the pipeline of new business opportunities.

Nevertheless, the estimate of recoverable amount for the CGU is sensitive to the discount rate, the cash flow projections and the growth rate.

Critical sensitivity	Point at which impairment would occur
Pre-tax discount rate	16.61%
RUPU forecast revenue	A reduction in each year's forecast revenue by more than 8%
Elevate forecast revenue	A reduction in each year's forecast revenue by more than 27%

12. Intangible fixed assets

The Group movement in Intangible fixed assets was

Cost	Assets under development £'000
At 31 December 2023	-
Additions	-
At 31 December 2024	-
Additions	111
At 31 December 2025	111
Amortisation	
At 31 December 2023	-
Charge for the period	-
At 31 December 2024	-
Charge for the period	-
At 31 December 2025	-
Net book value	
At 31 December 2023	-
At 31 December 2024	-
At 31 December 2025	111

13. Property, plant and equipment

The Group movement in property, plant & equipment assets was:

Cost	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	3,312	318	915	680	162	5,387
Additions	200	3	48	70	29	350
Disposals	(1,757)	(254)	(59)	-	-	(2,070)
Transfers	62	(67)	5	-	-	-
At 31 December 2024	1,817	-	909	750	191	3,667
Additions	365	-	70	535	19	989
Disposals	(54)	-	-	(278)	(23)	(355)
At 31 December 2025	2,128	-	979	1,007	187	4,301
Depreciation	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	3,133	305	872	479	38	4,827
Charge for the period	64	3	31	146	53	297
Depreciation on disposals	(1,757)	(254)	(59)	-	-	(2,070)
Transfers	54	(54)	-	-	-	-
At 31 December 2024	1,494	-	844	625	91	3,054
Charge for the period	107	-	41	170	56	374
Depreciation on disposals	(54)	-	-	(278)	(23)	(355)
At 31 December 2025	1,547	-	885	517	124	3,073
Net book value	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	179	13	43	201	124	560
At 31 December 2024	323	-	65	125	100	613
At 31 December 2025	581	-	94	490	63	1,228

The right of use lease liabilities are secured against the right of use assets.

14. Trade and other receivables

	31 December 2025	31 December 2024
	£'000	£'000
Net trade debtors	1,424	1,411
Other debtors	268	280
Prepayments	154	113
Total	1,846	1,804
Amounts falling due after more than one year included above are:	231	248

The maximum exposure to credit risk at the balance sheet date is the carrying amount of receivables detailed above. The Group does not hold any collateral as security. No interest is charged on outstanding trade receivables. The carrying amount of trade and other receivables approximates the fair value.

The Group applies the IFRS 9 simplified approach to measuring expected losses on trade receivables which applies a credit risk percentage based upon historical risk of default adjusted for forward looking estimates against receivables, grouped into age brackets. To measure the expected credit losses, trade receivables were considered on a days past due basis. Receivables

not past due are provided at 0%, increasing to between 2% and 15% for balances aged less than 12 months and 20% for balances aged between 12 and 24 months. Receivables aged more than 24 months attract significantly higher provision rates of 85%, reflecting the reduced likelihood of recovery, while balances outstanding for more than 36 months are provided at between 85% and 100%.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a repayment plan with the Group and a failure to make agreed contractual payments. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of any amounts are credited against the same line item.

	31 December 2025 £'000	31 December 2024 £'000
Trade debtors	1,946	1,943
Loss allowance	(522)	(532)
Net trade debtors	1,424	1,411

Movement in loss allowance:

	31 December 2025 £'000	31 December 2024 £'000
1 January	532	551
Additional provisions	332	143
Utilised or released	(342)	(162)
31 December	522	532

The Group does not routinely offer credit terms unless specific alternative terms have been agreed with a customer. The Directors do not believe that there is a significant concentration of credit risk within the trade receivables balance on customers or geographical location.

As of 31 December 2025, trade receivables of £1.2 million (2024: £0.9 million) were past due, but not impaired. The ageing analysis of those debtors is as follows:

	31 December 2025			31 December 2024		
	Gross £'000	Provision £'000	Net £'000	Gross £'000	Provision £'000	Net £'000
Not yet due	231	-	231	513	-	513
Overdue	1,715	522	1,193	1,430	532	898
Total	1,946	522	1,424	1,943	532	1,411

15. Deferred tax

	31 December 2025 £'000	31 December 2024 £'000
Deferred tax asset	215	294
Split as follows:		
Fixed asset timing differences	(98)	(13)
Tax losses	309	303
Other	4	4
Deferred tax asset	215	294
Movement in the year:		
At 1 January	294	250
Adjustment in respect of losses	6	77
Charge in respect of temporary timing differences on property, plant and equipment	(85)	(35)
Other movements	-	2
At 31 December	215	294

Deferred tax is not recognised in respect of tax losses in Germany that are not expected to be recovered over a forecast period of 5 years against the reversal of deferred tax liabilities or future taxable profits. This amounts to an unrecognised tax asset of £36k (2024: £87k).

16. Cash and cash equivalents

	31 December 2025 £'000	31 December 2024 £'000
Cash at bank and on hand	1,644	1,872
	<u>1,644</u>	<u>1,872</u>

17. Trade and other payables

	31 December 2025 £'000	31 December 2024 £'000
Amounts payable within one year		
Trade creditors	347	341
Other creditors	3,949	3,456
Social Security and other taxes	246	248
Accrued expenses	700	764
Deferred income	663	608
Total	<u>5,905</u>	<u>5,417</u>

All trade and other payables are short term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

18. Other borrowings

	31 December 2025 £'000	31 December 2024 £'000
Bank facilities:		
Payable within one year	-	211
Payable after one year	-	625
	<u>-</u>	<u>836</u>

During 2025, SpaceandPeople plc fully repaid their remaining bank loans and as at 31 December 2025 had no bank debt (2024: £0.84 million). SpaceandPeople plc also has a £1.0 million overdraft facility of which £nil was used as at 31 December 2025 (2024: £nil). This overdraft facility falls due annually for renewal in September 2026 and the Company fully anticipates this being renewed in the normal course of business in advance of this date. The overdraft facility is secured by floating charge over the Group's assets and are subject to interest of 2.5% plus base. The overdraft facility is subject to a monthly covenant test based on debt coverage. There were no breaches in covenants during the year.

19. Leases

Amounts recognised in the balance sheet:

The balance sheet shows the following amounts relating to leases:

	31 December 2025 £'000	31 December 2024 £'000
Right of use assets		
Property	490	55
Plant and equipment	63	170
	<u>553</u>	<u>225</u>
Lease liabilities		
Current	226	128
Non-current	393	114
Total	<u>619</u>	<u>242</u>

Amounts recognised in the statement of profit or loss:

The statement of profit or loss shows the following amounts relating to leases:

	12 months to December 2025 £'000	12 months to December 2024 £'000
Depreciation charge of right of use assets		
Property	138	146
Plant and equipment	56	53
	<u>194</u>	<u>199</u>
Interest expense on lease liabilities	36	21

Below is a reconciliation of changes in liabilities arising from financing activities:

	1 January 2025 £'000	Cash flows £'000	New Leases £'000	Other £'000	31 December 2025 £'000
Current lease liabilities	128	(225)	122	201	226
Non-current lease liabilities	114	-	444	(165)	393
Total liabilities from financing activities	<u>242</u>	<u>(225)</u>	<u>566</u>	<u>36</u>	<u>619</u>

The "Other" column includes the effect of reclassification of non-current leases to current due to the passage of time, the effect of the disposal of lease assets with their related creditors and the effect of the unwinding of the discounted ROU creditors over time.

	31 December 2025 £'000	31 December 2024 £'000
Maturity analysis – contractual undiscounted lease payments		
Within one year	249	131
Between one and five years	472	128
Over five years	-	-
	<u>721</u>	<u>259</u>

The company does not face a significant liquidity risk with regard to its lease liabilities and these are monitored as part of the overall process of managing cash flows. There are no leases subject to variable lease payment terms.

20. Financial instruments and risk management

The Group has no material financial instruments other than Trade and other receivables, Cash and cash equivalents, Trade and other payables and Lease liabilities. All borrowings were fully repaid during the year.

The existence of these financial instruments gives rise to credit risk, liquidity risk, interest rate risk and foreign currency risk.

The net fair value of its financial assets and liabilities is equivalent to their carrying value as detailed in the balance sheet and related notes.

Credit risk – The Group’s credit risk relates to its receivables and is managed by undertaking regular credit evaluations of its customers. The Group is aware that customers’ financial strength may be adversely affected by current economic circumstances and endeavours to work with them and our venue partners to provide appropriate discounts and payment plans to enable them to continue to trade and repay any amounts owed in an agreed manner. The Group does not routinely offer extended credit terms to the majority of customers.

Liquidity risk – The Group usually operates a cash-generative business and has available cash and an undrawn overdraft facility. The Directors consider the funding structure to be adequate for the Group’s current funding requirements and this is expected to strengthen during future years. The following tables outline the Group’s contractual maturity of its financial liabilities:

	Carrying amount	Contractual cash flows	On Demand/within one year	Within 1-5 years	Over 5 years
	£'000	£'000	£'000	£'000	£'000
2025					
Borrowings	-	-	-	-	-
Lease liabilities	619	721	249	472	-
Trade and other payables	5,905	5,905	5,905	-	-
Total	6,524	6,626	6,154	472	-
2024					
Borrowings	836	836	211	625	-
Lease liabilities	242	259	131	128	-
Trade and other payables	5,417	5,417	5,417	-	-
Total	6,495	6,512	5,759	753	-

Borrowing facilities – As at the balance sheet date, the Group had an agreed overdraft facility of £1.0 million, of which £nil was utilised at the year end. This facility is secured by a floating charge.

Financial assets – These comprise cash at bank and in hand. All bank deposits are floating rate.

Financial liabilities – These include short-term creditors. All financial liabilities will be financed from existing cash reserves and operating cash flows.

Interest rate risk – The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The interest rates and terms of repayment are disclosed in note 18 to the financial statements. Except as outlined above, the company has no significant interest-bearing assets and liabilities. The company does not use any derivative instruments to reduce its economic exposure to changes in interest rates. An increase or decrease of 1% in interest rate during the year would have resulted in movement of £13k to the Income Statement.

Foreign currency risk – The Group is exposed to moderate foreign exchange risk primarily from Euros due to its German operation and Euro denominated licensing income as detailed in note 4 – Segmental Reporting. The Group monitors its foreign currency exposure and manages the position where appropriate. A 5% change in the Euro rate at the year-end would have resulted in an additional gain or loss of £13k.

21. Called up share capital

Allotted, issued and fully paid			31 December 2025	31 December 2024
Class	Nominal value			
Ordinary	10p	£	197,646	195,196
		Number	1,976,457	1,951,957

During 2025, SpaceandPeople plc issued 24,500 new Ordinary Shares of 10p each to satisfy the exercise of options pursuant to the Company’s EMI Scheme.

22. Related party transactions

Compensation of key management personnel

Key management personnel of the Group are defined as those persons having authority and responsibility for the planning, directing and controlling the activities of the Group, directly or indirectly. Key management of the Group are therefore considered to be the Directors of SpaceandPeople plc. There were no transactions with the key management, other than their emoluments, which are set out in the remuneration report on pages 22 and 23.

23. Earnings per share

	12 months to 31 December 2025 Pence per share	12 months to 31 December 2024 Pence per share
Basic earnings per share	21.6p	14.1p
Diluted earnings per share	19.3p	12.8p
	12 months to 31 December 2025 £'000	12 months to 31 December 2024 £'000
Profit after taxation	412	269
Weighted average number of shares	31 December 2025 '000	31 December 2024 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,907	1,903
Weighted average number of ordinary shares for the purpose of diluted earnings per share	2,131	2,098

The weighted average number of shares is calculated as follows:

	12 months to 31 December 2025 '000	12 months to 31 December 2024 '000
Weighted average number of shares in issue during the period	1,907	1,903
Weighted average number of ordinary shares used in the calculation of basic earnings per share deemed to be issued for no consideration in respect of employee options	224	195
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	2,131	2,098

24. Share options

The Group has established a share option scheme that senior executives and certain eligible employees are entitled to participate in at the discretion of the Board which is advised on such matters by the Remuneration Committee.

In aggregate, share options have been granted under the share option scheme over 222,000 ordinary shares exercisable within the dates and at the exercise prices shown below, being the market value at the date of the grant. All options have a vesting period of 3 years.

Date of grant	Number	Option period	Price
30 June 2021	58,000	30 June 2024 – 30 June 2031	125p
24 August 2022	63,000	24 August 2025 – 24 August 2032	102.5p
21 December 2023	33,500	21 December 2026 – 21 December 2033	60p
30 May 2025	67,500	30 May 2028 – 30 May 2035	10p

The movement in the number of options outstanding under the scheme over the period is as follows:

	12 months to 31 December 2025	12 months to 31 December 2024
Number of options outstanding as at the beginning of the period	193,000	195,000
Granted	67,500	-
Forfeited	(14,000)	(2,000)
Exercised	(24,500)	
Number of options outstanding as at the end of the period	<u>222,000</u>	<u>193,000</u>
Weighted average exercise price	<u>74p</u>	<u>104p</u>

The total share-based payment charge for the year, calculated in accordance with IFRS2 on share-based payments, was £10k (2024: £3k). The Black Scholes model was used to obtain the fair value of share options. Further information in respect of the calculation of fair values has not been presented as the fair values are not material to the financial statements.

25. Own shares held

The Group has shares held by the SpaceandPeople plc Employee Benefit Trust for the purpose of issuing shares under the company's share option scheme. The total amount held is £50k (2024: £50k).

26. Commitments

As at the date of this report, the Group has entered into an agreement with third party providers to develop new core IT systems for the business during 2026. The outstanding commitment at the year-end amounted to £365,000.

SpaceandPeople plc

Company Statement of Financial Position

At 31 December 2025

Company number SC212277

	Notes	31 December 2025 £'000	31 December 2024 £'000
Assets			
Non-current assets:			
Goodwill	4	5,381	5,381
Intangible fixed assets	6	111	-
Investment in subsidiaries	5	25	24
Property, plant & equipment	7	1,031	349
Deferred tax asset	8	113	198
		6,661	5,952
Current assets:			
Trade & other receivables	9	2,108	2,078
Cash & cash equivalents	10	1,395	1,671
		3,503	3,749
Total assets		10,164	9,701
Liabilities			
Current liabilities:			
Trade & other payables	11	5,386	4,909
Lease liabilities	12	126	14
Borrowings repayable within one year	13	-	211
		5,512	5,134
Non-current liabilities:			
Lease liabilities	12	354	-
Borrowings repayable after one year	13	-	625
		354	625
Total liabilities		5,866	5,759
Net assets		4,298	3,942
Equity			
Share capital	15	197	195
Share premium		4,895	4,868
Special reserve		233	233
Own shares held		(50)	(50)
Retained earnings		(977)	(1,304)
Shareholders' equity		4,298	3,942

The financial statements were approved by the Board of Directors and authorised for issue on 28 April 2026.

Signed on behalf of the Board of Directors by:



Nancy Cullen – Director

SpaceandPeople plc

Company Statement of Cash Flows

For the 12 months ended 31 December 2025

	Notes	12 months to 31 December 2025 £'000	12 months to 31 December 2024 £'000
Cash flows from operating activities			
Profit before taxation		402	120
Adjustments for:			
Depreciation and amortisation		246	207
Share based payment expense		10	3
Interest received		(16)	(15)
Interest paid		79	93
Increase / (decrease) in trade and other receivables		(30)	66
(Increase) / decrease in trade and other payables		477	255
Cash generated from operations		1,168	729
Interest paid		(43)	(93)
Net cash inflow from operating activities		1,125	636
Cash flows from investing activities			
Purchase of property, plant & equipment	7	(394)	(164)
Purchase of intangible assets	6	(111)	-
Interest received		16	15
Net cash outflow from investing activities		(489)	(149)
Cash flows from financing activities			
Bank facility payments		(836)	(322)
Payment of lease finance obligations	12	(105)	(130)
Issue of share capital		29	-
Net cash outflow from financing activities		(912)	(452)
Increase/(decrease) in cash and cash equivalents		(276)	35
Cash and cash equivalents at beginning of period		1,671	1,636
Cash and cash equivalents at end of period	10	1,395	1,671

SpaceandPeople plc

Company Statement of Changes in Equity

For the 12 months ended 31 December 2025

	Share Capital £'000	Share premium £'000	Special reserve £'000	Own Shares Held £'000	Retained Earnings £'000	Total equity £'000
At 31 December 2023	195	4,868	233	(50)	(1,459)	3,787
Comprehensive income:						
Profit for the period	-	-	-	-	152	152
Total comprehensive Income	-	-	-	-	152	152
Equity settled share based payment	-	-	-	-	3	3
At 31 December 2024	195	4,868	233	(50)	(1,304)	3,942
Comprehensive income:						
Profit for the period	-	-	-	-	317	317
Total comprehensive income	-	-	-	-	317	317
Equity settled share based payment	-	-	-	-	10	10
Exercise of share options	2	27	-	-	-	29
At 31 December 2025	197	4,895	233	(50)	(977)	4,298

SpaceandPeople plc

Notes to the Company Financial Statements

For the 12 months ended 31 December 2025

1. General information and basis of preparation

SpaceandPeople plc is a company incorporated in the United Kingdom and is the Parent Company of the SpaceandPeople Group.

The company's financial statements have been prepared under the historical cost convention as described in the accounting policies set out below. These accounting policies are consistent with those in the previous year. The financial statements are presented in Sterling, which is the functional currency of the company and are rounded to thousands (£'000).

Compliance Statement

These financial statements have been prepared in accordance with UK adopted International accounting standards (UK-adopted IAS), in conformity with the requirements of the Companies Act 2006.

Going Concern

The Directors are required to prepare the statutory financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business. In satisfaction of this responsibility the Directors have considered the company's ability to meet its liabilities as they fall due.

The company meets its day-to-day cash requirements through working capital management and the use of its bank overdraft where required. Management information tools including budgets and cash flow forecasts are used to monitor and manage current and future liquidity.

The current and future financial position of the company, including its cash flows and liquidity, continue to be reviewed by the Directors. Cash flow projections through to the end of 2027 have been prepared, incorporating anticipated receipts, expected payments and planned operational cash requirements. These projections indicate that the company will have sufficient liquidity to meet its obligations as they fall due.

The Directors take a pragmatic view on the continuing recovery in the company's business in light of current inflationary and other macroeconomic factors impacting on the business, its customers and suppliers. They have also considered the company's ability to withstand the loss of key contracts and any mitigating actions that would be available to them.

To manage working capital requirements, the company has an overdraft facility of £1m which falls due for renewal in September 2026. Whilst the facility currently remains unutilised, the company fully anticipates this being renewed in the normal course of business in advance of the renewal date. Financial covenants are in place that reflect the current and budgeted trading position.

The company continues to manage its cash flows prudently and the Directors are confident that the management of working capital, the current resources and available funding facilities will provide sufficient headroom to meet the forecast cash requirements whilst remaining within its financial covenants.

As such, the Directors consider that it is appropriate to prepare the financial statements on the going concern basis.

2. Accounting policies

For details of accounting policies used, reference is made to note 3 in the Group Annual Report. Overall, the accounting principles in the Group accounts are the accounting principles used in the Company's annual accounts.

3. Profit for the period

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The Group profit for the period includes a Company profit after tax of £312k (2024: £128k).

4. Goodwill

Cost	£'000
At 31 December 2023	5,381
Additions	-
At 31 December 2024	5,381
Additions	-
As at 31 December 2025	5,381
Accumulated impairment losses	
At 31 December 2024	-
Charge for the period	-
At 31 December 2025	-
Net book value	
At 31 December 2024	5,381
At 31 December 2025	5,381

In the opinion of the Directors, the value of the Goodwill is not less than the amount at which it is stated in the Company statement of financial position. The key factors underpinning this are set out in the goodwill impairment review in note 11 to the Group accounts.

5. Investment in subsidiaries

The Company movement in investment in subsidiaries was:

Cost and net book value	£'000
As at 31 December 2023	30
Impairment	(6)
As at 31 December 2024	24
Additions	1
Impairment	-
As at 31 December 2025	25

Fixed asset investments of the Company include the following:

<u>Name of subsidiary</u>	<u>Principal activity</u>	<u>Place of incorporation and Operation</u>	<u>Proportion of ownership interest and voting power held by the Company</u>	
			31 December '25	31 December '24
POP Retail GmbH	Leasing of kiosks	Germany	100%	100%
POP Retail SAS	Dormant	France	100%	-

6. Intangible fixed assets

The company movement in Intangible fixed assets was:

Cost	Assets under development £'000
At 31 December 2023	-
Additions	-
At 31 December 2024	-
Additions	111
At 31 December 2025	111
Amortisation	
At 31 December 2023	-
Charge for the period	-
At 31 December 2024	-
Charge for the period	-
At 31 December 2025	-
Net book value	
At 31 December 2023	-
At 31 December 2024	-
At 31 December 2025	111

7. Property, plant and equipment

The Company movement in property, plant & equipment assets was:

Cost	Plant & equipment	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	1,150	896	563	-	2,609
Additions	122	49	-	-	171
Disposals	(31)	(36)	-	-	(67)
At 31 December 2024	1,241	909	563	-	2,713
Additions	323	70	535	-	928
Disposals	(54)	-	(286)	-	(340)
At 31 December 2025	1,510	979	812	-	3,301
Depreciation	Plant & equipment	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	962	849	441	-	2,252
Charge for the period	37	31	111	-	179
Depreciation on disposals	(31)	(36)	-	-	(67)
At 31 December 2024	968	844	552	-	2,364
Charge for the period	84	41	121	-	246
Depreciation on disposals	(54)	-	(286)	-	(340)
At 31 December 2025	998	885	387	-	2,270
Net book value	Plant & equipment	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000
At 31 December 2023	188	47	122	-	357
At 31 December 2024	273	65	11	-	349
At 31 December 2025	512	94	425	-	1,031

8. Deferred tax

	31 December 2025 £'000	31 December 2024 £'000
Deferred tax asset	113	198
Split as follows:		
Fixed asset timing differences	(98)	(13)
Tax losses	207	207
Other	4	4
Deferred tax asset	113	198
At 1 January	198	190
Adjustment in respect of losses	-	41
Charge in respect of temporary timing differences on property, plant and equipment	(85)	(35)
Other timing differences	-	2
At 31 December	113	198

9. Trade and other receivables

	31 December 2025 £'000	31 December 2024 £'000
Trade debtors	824	1,003
Other debtors	20	31
Prepayments	200	160
Amounts due from related parties	1,064	884
Total	2,108	2,078

Amounts falling due after more than one year included above are:

- -

The maximum exposure to credit risk at the balance sheet date is the carrying amount of receivables detailed above. The company does not hold any collateral as security. No interest is charged on outstanding trade receivables. The carrying amount of trade and other receivables approximates the fair value.

The company applies the IFRS 9 simplified approach to measuring expected credit losses on trade receivables which applies a credit risk percentage based upon historical risk of default adjusted for forward looking estimates against receivables that are grouped into age brackets. To measure the expected credit losses, trade receivables were considered on a days past due basis. Receivables not past due are provided at 0%, increasing to between 2% and 15% for balances aged less than 12 months and 20% for balances aged between 12 and 24 months. Receivables aged more than 24 months attract significantly higher provision rates of 85%, reflecting the reduced likelihood of recovery, while balances outstanding for more than 36 months are provided at between 85% and 100%.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a repayment plan with the Company and a failure to make agreed contractual payments. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of any amounts are credited against the same line item.

	31 December 2025 £'000	31 December 2024 £'000
Trade debtors	1,112	1,417
Loss allowance	(288)	(414)
Net trade debtors	824	1,003

Movement in loss allowance:

	31 December 2025 £'000	31 December 2024 £'000
1 January	414	394
Additional provisions	183	95
Utilised or released	(309)	(75)
31 December	288	414

The Directors do not believe that there is a significant concentration of credit risk within the trade receivables balance on customers or geographical location.

As of 31 December 2025, trade receivables of £0.6 million (2024: £0.6 million) were past due but not impaired. The ageing analysis of those debtors is as follows:

	31 December 2025			31 December 2024		
	Gross £'000	Provision £'000	Net £'000	Gross £'000	Provision £'000	Net £'000
Not yet due	216	-	216	392	-	392
Overdue	896	288	608	1,025	414	611
Total	1,112	288	824	1,417	414	1,003

10. Cash and cash equivalents

	31 December 2025 £'000	31 December 2024 £'000
Cash at bank and on hand	1,395	1,671
	1,395	1,671

11. Trade and other payables

	31 December 2025 £'000	31 December 2024 £'000
Amounts payable within one year		
Trade creditors	166	147
Other creditors	851	3,339
Social Security and other taxes	217	233
Accrued expenses	489	582
Deferred income	663	608
Trade and other payables	5,386	4,909

The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

12. Leases

Amounts recognised in the balance sheet:

The balance sheet shows the following amounts relating to leases:

	31 December 2025 £'000	31 December 2024 £'000
Right of use assets		
Property	425	11
	<u>425</u>	<u>11</u>
Lease liabilities		
Current	126	14
Non-current	354	-
Total	<u>480</u>	<u>14</u>

Amounts recognised in the statement of profit or loss:

The statement of profit or loss shows the following amounts relating to leases:

	12 months to December 2025 £'000	12 months to December 2024 £'000
Depreciation charge of right of use assets		
Property	88	111
Plant and equipment	-	-
	<u>88</u>	<u>111</u>
Interest expense on lease liabilities	24	5

Below is a reconciliation of changes in liabilities arising from financing activities:

	1 January 2025 £'000	Cash flows £'000	New Leases £'000	Other £'000	31 December 2025 £'000
Current lease liabilities	14	(105)	121	96	126
Non-current lease liabilities	-	-	426	(72)	354
Total liabilities from financing activities	<u>14</u>	<u>(105)</u>	<u>547</u>	<u>24</u>	<u>480</u>

The "Other" column includes the effect of reclassification of non-current leases to current due to the passage of time, the effect of the disposal of lease assets with their related creditors and the effect of the unwinding of the discounted ROU creditors over time.

	31 December 2025 £'000	31 December 2024 £'000
Maturity analysis – contractual undiscounted lease payments		
Within one year	146	14
Between one and five years	428	-
Over five years	-	-
	<u>574</u>	<u>14</u>

The company does not face a significant liquidity risk with regard to its lease liabilities and these are monitored as part of the overall process of managing cash flows. There are no leases subject to variable lease payment terms.

13. Other borrowings

	31 December '25 £'000	31 December '24 £'000
Bank facilities:		
Payable within one year	-	211
Payable after one year	-	625
	<u>-</u>	<u>836</u>

During 2025, SpaceandPeople plc fully repaid their remaining bank loans and as at 31 December 2025 had no bank debt (2024: £0.84 million). SpaceandPeople plc also has a £1.0 million overdraft facility of which £nil was used as at 31 December 2025 (2024: £nil). This overdraft facility falls due annually for renewal in September 2026 and the Company fully anticipates this being renewed in the normal course of business in advance of this date. The overdraft facility is secured by floating charge over the Group's assets and are subject to interest of 2.5% plus base. The overdraft facility is subject to a monthly covenant test based on debt coverage. There were no breaches in covenants during the year.

14. Financial instruments and risk management

Details of the company's financial instruments and risk management are set out in note 20 to the Group annual report.

15. Called up share capital

Allotted, issued and fully paid			31 December 2025	31 December 2024
Class	Nominal value			
Ordinary	10p	£	197,646	195,196
		Number	1,976,457	1,951,957

During 2025, SpaceandPeople plc issued 24,500 new Ordinary Shares of 10p each to satisfy the exercise of options pursuant to the Company's EMI Scheme.

16. Share options

Details of the Company's share options are as at note 24 to the Group annual report.

17. Related party transactions

During the year, the Company charged its subsidiary company the following amounts in respects of costs incurred on their behalf: POP Retail GmbH £120,681 (2024: £71,620).

At 31 December 2025, the Company had the following balance with Group companies:

Amounts due from POP Retail GmbH totalled £1.05m (2024: £0.88m).

SpaceandPeople plc

Company Information

For the 12 months ended 31 December 2025

Directors:	W G Watt – Non-Executive Chair N J Cullen – Chief Executive Officer G R Dunlay – Chief Financial Officer A J Keiller – Chief Operating Officer M Brown – Non-Executive Director
Secretary:	G R Dunlay
Registered office:	3 rd Floor Delta House 50 West Nile Street Glasgow G1 2NP
Registered number:	SC212277
Nominated advisors and brokers:	Zeus Capital Ltd 125 Old Broad Street London EC2N 1AR
Registrars:	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD
Auditors:	Azets Audit Services Chartered Accountants & Statutory Auditors Titanium 1 King's Inch Place Glasgow PA4 8WF
Bankers:	Barclays Bank plc 1 – 4 Clyde Place Lane Glasgow G5 8DP
Solicitors:	Burness Paull LLP 2 Atlantic Square 31 York Street Glasgow G2 8AS
	SpaceandPeople plc 3 rd Floor Delta House 50 West Nile Street Glasgow G1 2NP Telephone: 0845 241 8215 Email: help@spaceandpeople.co.uk Web: www.spaceandpeople.co.uk