

Building brands.
Growing relationships.
Strengthening businesses.

Annual Report 2025

The Pebble Group





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Building brands. Growing relationships. Strengthening businesses.

Our **vision** is to provide industry leading technology, products and related services to the global promotional products industry.

Our values define our behaviour and decision-making, underpinning the delivery of our long-term future:

 **One team, diverse and united.**

 **Enjoying the journey.**

 **Ambitious positivity.**

 **Always learning and growing.**

 **Connected to our stakeholders.**



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ACHIEVEMENTS FOR THE YEAR

Our highlights of 2025.

GROUP HIGHLIGHTS

REVENUE

£124.7m

-0.5%

25 £124.7m

24 £125.3m

ADJUSTED EBITDA¹

£15.8m

-5.4%

25 £15.8m

24 £16.7m

GROSS PROFIT

£56.9m

+2.5%

25 £56.9m

24 £55.5m

CAPITAL RETURNS²

£11.7m

+£8.3m

25 £11.7m

24 £3.4m

OUR BUSINESSES

Facilisgroup



Partner retention

+88%

YoY increase in Partner wins

Brand Addition



Top 30 client retention

+8

FY 25 new client wins



ESG HIGHLIGHTS



Group Net-zero strategy launched, resulting in a **16%** reduction in carbon emissions and a **2%** reduction in site energy usage from prior year.



1,714 volunteering hours delivered, a **9%** increase from prior year, supporting our local communities.

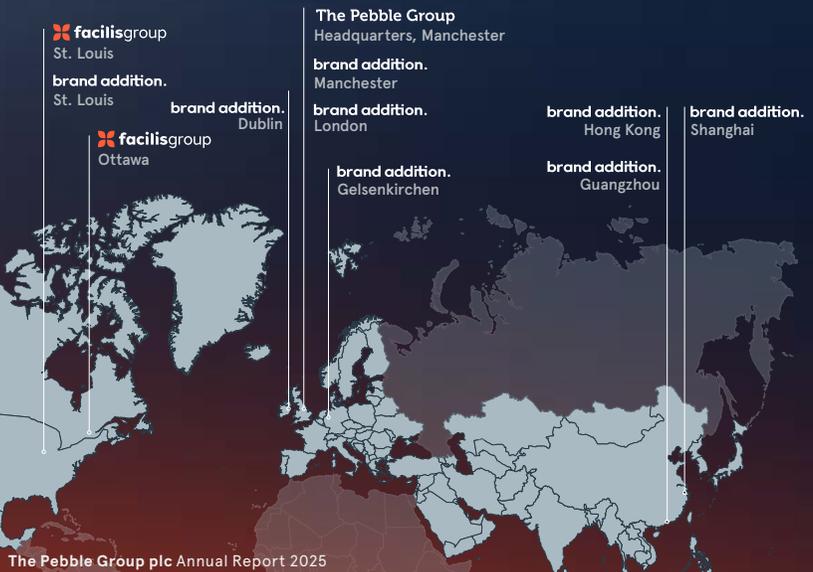
¹ Adjusted EBITDA is defined as operating profit adjusted to add back depreciation, amortisation and share-based payment charge/credit.

² Capital returns is the aggregate value of cash distributions made to shareholders in the year, comprising dividends, share buybacks and tender offer transactions, excluding transaction costs.

OUR BUSINESSES AT A GLANCE

Differentiated businesses, shared purpose.

Providing industry-leading technology, products and services to the global promotional products market, the Pebble Group consists of two differentiated businesses with a shared purpose:



GROUP METRICS

GROUP REVENUE



GROUP ADJUSTED EBITDA*



GROUP FREE CASH FLOW CONVERSION

91%

* this excludes EBITDA from central operations

facilisgroup

A strategic partner that brings together powerful technology, proven processes, supply chain advantages and a connected community to empower promotional products distributors in North America to scale efficiently and grow profitably.

\$22.6m USD / £17.2m GBP Revenue FY 25
\$9.6m USD / £7.3m GBP Adjusted EBITDA FY 25
80+ Team Members, 2 Sites

brand addition.

An end-to-end branded merchandise provider that enables companies of scale to build meaningful connections with their customers, employees and communities.

£107.5m Revenue FY 25
£11.4m Adjusted EBITDA FY 25
400+ Team Members, 8 Sites

Target Market	Promotional product distributors in North America.	Large global brands.
Revenue Model	Subscriptions from Partners for technology. Fees from Preferred Suppliers for access to market network.	A margin is applied to the delivery of its products and services.
BUILDING BRANDS	Provides a 360° promotional platform (Syncore), enabling promotional products distributors to deliver high-quality branded merchandise programmes at scale, elevating the experience for their end clients' brands.	Creates end-to-end creative branded merchandise that builds culture, awareness and emotional connection for global brands.
GROWING RELATIONSHIPS	Operates a comprehensive market network joining promotional products distributors and suppliers, fostering long-term collaboration and mutual benefit.	Maintains very high client retention, including 97% retention of top 30 global clients, supported by long-term, trusted relationships.
STRENGTHENING BUSINESSES	Enables its promotional products distributors to scale through efficiency gains: faster order processing, higher margins and improved cash flow.	Protects the brand integrity of its global clients by delivering high-quality, sustainable products on time through reliable supply chains.

SHARED PURPOSE

Certain amounts relating solely to the Facilisgroup business are presented in their home currency of USD.

Find out more about Facilisgroup on pages 11 and 12 of this Annual Report and at facilisgroup.com.

Find out more about Brand Addition on pages 13 and 14 of this Annual Report and at brandaddition.com.

OUR STRATEGY

Our strategy.

We aim to create **long-term value and sustainable growth** for our stakeholders through leadership, strategic initiatives, innovation and responsible management.

OUR STRATEGIC AIMS

- 1.** Grow our market share through **new client and Partner wins** whilst we maintain our excellent client and Partner retention credentials through our **strong existing client and Partner relationships**.

Alignment to our values:

 -  Connected to our stakeholders
 -  Ambitious positivity
- 2.** Continually evolve our **best-in-class products and services** to maintain our competitive advantage.

Alignment to our values:

 -  Connected to our stakeholders
 -  Always learning and growing
- 3.** Invest in our teams and build a strong community to deliver our strategic ambition.

Alignment to our values:

 -  One team, diverse and united
 -  Enjoying the journey

DELIVERY OF OUR STRATEGY

Across its businesses, The Pebble Group implements its strategic aims by:

- Promoting appropriate shareholder engagement, governance and ethical business practices.
- Providing strategic direction to drive sustainable growth and value creation.
- Fostering a positive and inclusive culture.
- Providing financial oversight and risk management.

OUTCOMES FOR OUR STAKEHOLDERS

Successful delivery of our strategy is intended to deliver sustainable outcomes for our key stakeholders:

- Employees**


 - Investment in our people
 - Recognising and nurturing talent
 - Positive culture, fostering learning and growth
- Clients & Partners**


 - Specialised client support
 - Solutions delivered for complex processes
 - Responsible procurement and reduced environmental impact
 - Enabling frictionless business processes
- Strategic Suppliers**


 - Valued partnerships
 - Growth opportunities
 - Strategic collaboration
- Shareholders and the wider investment community**


 - Profitable growth and cash generation
 - Disciplined capital allocation
 - Responsible business practices

OUR INVESTMENT CASE

Our investment case.



Client/Partner focused.

A compelling proposition with clients and Partners at its centre.

Resilient revenue models with recurring and repeat revenue.

i Key Performance Indicators → page 39

Best in class retention rates.

i Key Performance Indicators → page 39

Attracting the industry's best businesses.

i Key Performance Indicators → page 39



Market leading.

Differentiated businesses leading through commitment to long-term relationships.

Making decisions that build long-term trust.

i Environmental, Social and Governance (ESG) → page 20

Differentiating through creativity.

i Our Businesses in Detail – Brand Addition → page 13

Continually evolving our technology to lead the market.

i Our Businesses in Detail – Facilisgroup → page 11



Significant opportunity to scale.

Established international scale in a large and fragmented market provides an opportunity to grow.

Offices of substance in all major geographies.

i Our Businesses at a Glance → page 02

Circa \$50bn global market.

i Market Review → page 10

Strength of geographic and sector diversification.

i Key Performance Indicators → page 39



Creating value.

Highly cash generative, funding our growth ambitions and returning value to stakeholders.

Further investment in our people and business to execute on our organic growth strategy.

i Chief Executive Officer's Review → page 07

Delivery of capital returns to shareholders via a progressive dividend policy.

i Chair's Report → page 05

Delivery of capital returns to shareholders via buyback and cancellation of Ordinary Shares.

i Chair's Report → page 05

CHAIR'S REPORT

Delivering on our strategic priorities.

Anne de Kerckhove

Independent Non-executive Chair



INTRODUCTION

I am pleased to present my second annual statement as Chair of The Pebble Group.

In FY 25, the Group delivered on its strategic priorities, making disciplined investments to support future growth, and strengthened the foundations of both Facilisgroup and Brand Addition. These actions contributed to a year of solid financial performance and have positioned the Group well for organic revenue growth in FY 26 and beyond.

During the year, I met with several of our shareholders to understand their views on governance, current priorities and strategic matters, ensuring that the Board continues to take account of the perspectives of our investor base in its decision-making. I also met with many other stakeholders across the Group, experiencing first-hand the quality of our teams, the strength of our long-term client and Partner relationships and the clear sense of momentum across both businesses.

The Group's foundation is built on high levels of recurring and repeatable revenues, differentiated capabilities and a strong balance sheet, providing a compelling base from which to unlock shareholder value.

PERFORMANCE

The Group delivered financial performance in line with expectations and made meaningful progress against its strategic priorities which are detailed in the

Chief Executive Officer's Review. Revenue was £124.7m (FY 24: £125.3m), and Adjusted EBITDA was £15.8m (FY 24: £16.7m), reflecting the planned, targeted investment in sales and marketing at Facilisgroup that has delivered an acceleration in new Partner wins.

A highlight of the year was the expected significant improvement in free cash flow conversion to 91% (FY 24: 68%), driven by disciplined cost and working capital management and a normalisation in capital expenditure. This strong cash generation supported total shareholder returns of £11.7m (FY 24: £3.4m) whilst maintaining a debt-free balance sheet, reinforcing the Group's resilience and ability to invest for growth while returning capital to shareholders. Our confidence in the cash-generative characteristics to sustain our organic growth strategy whilst delivering excess cash has supported our decision to announce a further £5.0m capital return by way of a share buyback programme, details of which will be announced separately on 17 March 2026.

OUR MARKET AND STRATEGY

The global promotional products market remains a large, fragmented, and attractive sector, with an estimated value of approximately \$50bn. Our businesses are strategically well-positioned in this market: Facilisgroup as a technology-enabled partner to growth-oriented distributors in North America; and Brand Addition as a leading global provider of end-to-end branded merchandise programmes for many of the world's best-known brands.

Across the Group, our strategic objectives remain clear:

- At Facilisgroup, our priority is to retain our high Partner retention rates and convert the strong momentum in new Partner wins into material revenue growth, supported by continued enhancement of the Syncore platform and market-leading services.
- longstanding client relationships, sustaining high client retention, growing new business, and further strengthening margins through increased efficiency and automation.
- At Group level, we will continue to apply a disciplined capital allocation framework that balances investment in growth with meaningful shareholder returns.

These strategic priorities support our long-term ambition to deliver sustained revenue growth, high levels of cash generation and increasing value for shareholders.

Artificial intelligence (AI) is an increasing area of strategic focus for the Group, with awareness and adoption of AI technologies across our industry increasing during the year. We do not expect any adverse impact on the demand for promotional products in our end markets as the need for brands to make a physical, emotional, long-term connection with their stakeholders remains a key element of their marketing strategies. We closely monitor developments in the competitive environment in general as well as what may directly impact Facilisgroup and Brand Addition. Internally, we will deploy AI enabled tools at scale to support operational efficiency, greater

CHAIR'S REPORT

“Looking forward, our priority is to continue to execute on our organic growth strategy”

productivity and enhanced decision-making to improve the experience we deliver to our Partners, clients and end customers. At Facilisgroup, we are uniquely positioned in 2026 to deploy Vertical AI, dedicated to the promotional industry, supported by unique industry wide data assets and workflow integrations. We approach the use of AI in a responsible manner, ensuring it is adopted in a way that supports sustainable growth while remaining aligned with our governance and risk management frameworks which protect our stakeholders.

TEAM AND BOARD CHANGES

I would like to thank all our teams across Facilisgroup, Brand Addition and The Pebble Group for their hard work, professionalism and dedication during the year. Our people remain our greatest strength and are central to delivering consistent, high-quality outcomes for clients and Partners.

During the year, we saw an important change to the composition of the Board. As part of a planned transition, Stuart Warriner stepped down as a Non-executive Director in September 2025. On behalf of the Board, I would like to extend our sincere thanks to Stuart for his significant contribution, wise counsel, and dedicated service to The

Pebble Group. His experience and perspective have supported the Group through an important period of strategic development.

We were also delighted to welcome Markus Bihler to the Board as a Non-executive Director. Markus brings extensive international leadership experience, including a strong background in technology-enabled business models, operational improvement, and value-creation strategies across global markets. His expertise in scaling digital platforms, combined with deep financial and strategic insight, will further strengthen the Board as we continue to pursue organic growth and build long-term value across our businesses.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

ESG remains an integral part of how we manage and grow our businesses. We continue to focus on the areas that matter most to our stakeholders and to our business's long-term success: our strong governance framework; reducing environmental impact; attracting and retaining talent; supporting communities; and operating with integrity. We will publish our annual ESG Report in March 2026, setting out the meaningful progress against our ESG

goals and our ongoing commitments that drive meaningful change and hold ourselves accountable.

RETURN OF VALUE TO SHAREHOLDERS IN FY 25

The Group's strong free cash flow generation enabled shareholder returns of £11.7m in FY 25 (FY 24: £3.4m), delivered through an annual dividend of £3.0m (FY 24: £2.0m), market repurchases of Ordinary Shares totalling £2.2m (FY 24: 1.4m) and a tender offer repurchase of Ordinary Shares totalling £6.5m (FY 24: £nil). This approach reflects our commitment to maintaining a robust, balance sheet while returning excess capital to shareholders in a disciplined and value-enhancing way.

CAPITAL ALLOCATION PRIORITIES TO UNLOCK FURTHER SHAREHOLDER VALUE

Looking forward, our priority is to continue to execute on our organic growth strategy. At Facilisgroup, we are seeking a return to material revenue growth and will further invest in the people and strategies that, in 2025, have delivered excellent Partner

retention and strong new Partner wins. At Brand Addition, we will continue to invest in the proposition and excellent customer experience as we seek to win and service a growing portfolio of global brands.

In 2026, we also intend to deliver capital returns to shareholders via:

- I. the continuation of a progressive dividend policy, recommending a dividend payable in 2026 of 2.0p per share (2025: 1.85p per share), a distribution totalling £3.0m (2025: £3.0m). This will be paid on 11 May 2026, subject to shareholder approval; and
- II. the buyback and cancellation of Ordinary Shares for a consideration of up to £5.0m.

We anticipate undertaking the buyback process through market purchases on the London Stock Exchange, starting on 17 March 2026.

OUTLOOK

The Group has entered FY 26 with encouraging momentum. The increase in Facilisgroup new Partner wins in FY 25 provides a strong foundation for revenue growth, and Brand Addition continues to

demonstrate resilience, quality and strong client retention. While we remain mindful of broader macroeconomic conditions, the Board is confident that our robust balance sheet, compelling market opportunity and clear long-term strategy position the Group well to deliver profitable growth, strong cash generation and sustainable value creation in the years ahead.

The Board continues to actively review its strategic options, including the Group's structure, to ensure long term shareholder value creation reflects the financial strength and market leading positions of the Group's individual businesses.



Anne de Kerckhove

Independent Non-executive Chair
16 March 2026

CHIEF EXECUTIVE OFFICER'S REVIEW

Strengthening our businesses to accelerate organic growth.

SUMMARY OF PERFORMANCE

In 2025, the Group had four priorities:

- i) to invest in accelerating new Partner wins at Facilisgroup to drive future revenue growth;
- ii) to demonstrate the resilience of Brand Addition's financial performance in a challenging market;
- iii) to increase Group free cash flow Conversion to above 80%; and
- iv) to return a significant level of excess capital to shareholders.

We are pleased to report that, for the year ended 31 December 2025, the Group achieved each of these objectives and delivered results in line with expectations.

Group revenue was £124.7m (FY 24: £125.3m), broadly in line with the prior year. Group Adjusted EBITDA was £15.8m (FY 24: £16.7m), reflecting the planned investment in sales and marketing at Facilisgroup which has delivered an acceleration in new Partner acquisition, underpinning organic growth.

Performance against our priorities was as follows:

- i) **Facilisgroup** secured 30 new Partners during the year (FY 24: 16), following an incremental investment of approximately \$1m in sales and marketing. This investment has delivered strong momentum which has continued into 2026. We are well-positioned for revenue growth.

- ii) **Brand Addition** delivered revenues in line with FY 24 while increasing profit margins, supported by disciplined management and effective cost control during a period of economic uncertainty.
- iii) **Free cash flow conversion** increased to 91% (FY 24: 68%), reflecting reduced capital expenditure and demonstrating the inherent cash-generative characteristics of the business.
- iv) **Capital returns** to shareholders totalled £11.7m (FY 24: £3.4m).

INTRODUCTION

The Pebble Group: *Building brands, growing relationships, strengthening businesses*

The Group's two businesses, Facilisgroup and Brand Addition, both hold market leading positions and benefit from significant heritage within the fragmented promotional products industry. Each is supported by longstanding relationships with clients, Partners, and suppliers, which underpin the recurring and repeatable revenues that drive the Group's financial performance and cash generation.

Our expertise lies in working with high quality businesses across the supply chain to deliver branded products efficiently, responsibly, and at scale. This is enabled through a combination of technology, robust processes, continued investment in infrastructure, and the experience and commitment of our people. Growth is

driven first by creating ongoing value for existing clients and Partners, and then by attracting new long term relationships.

With an estimated global market of approximately \$50bn per annum, the promotional products industry offers substantial and attractive opportunities for both Facilisgroup and Brand Addition. The Group is increasingly well-positioned to capitalise on these opportunities while maintaining a disciplined and sustainable approach to growth.

BUSINESS REVIEW – FACILISGROUP

Facilisgroup: *a strategic partner that brings together technology, processes, supply chain advantages and a connected community to empower promotional products distributors in North America to scale efficiently and grow profitably*

	FY 25	FY 24	FY 25	FY 24
ARR	£16.4m	£16.9m	\$21.6m	\$21.6m
Other revenue	£0.8m	£0.7m	\$1.0m	\$0.9m
Total revenue	£17.2m	£17.6m	\$22.6m	\$22.5m
Adjusted EBITDA	£7.3m	£8.8m	\$9.6m	\$11.2m
Operating profit	£2.4m	£3.5m	\$3.2m	\$4.5m
Capital expenditure	£3.3m	£5.0m	\$4.4m	\$6.3m

Chris Lee

Chief Executive Officer



CHIEF EXECUTIVE OFFICER'S REVIEW

“In 2025, the Group had four priorities...We are pleased to report that, for the year ended 31 December 2025, the Group achieved each of these objectives and delivered results in line with expectations”.

Financial results

Facilisgroup revenue in FY 25 was stable in USD, the business's home currency, reflecting flat like for like Gross Merchandise Value ("GMV") and Partner numbers in 2024 which influences 2025 revenues. In GBP, the Group's reporting currency, revenue decreased by £0.4m (2.3%) compared to FY 24, driven by adverse foreign exchange movements.

Adjusted EBITDA reduced to \$9.6m (FY 24: \$11.2m) following the planned investment of \$1.7m in operating expenses of which \$1.3m related to an investment in people, principally to support the acceleration of new Partner acquisition. The cash impact of this investment was offset by a \$1.9m reduction in capital expenditure reflecting the full year benefit of the normalisation of our capital expenditure programme.

Approach to the market

Facilisgroup targets quality, growth oriented promotional products distributors in North America with annual sales typically exceeding \$2m and as large as \$70m. This results in a targeted, serviceable market of circa 4,500 businesses.

To compete effectively and maximise their profitability, these distributors require industry specific technology, strong supplier relationships, and sector expertise. Facilisgroup brings these elements together through its technology platform, scale, and operating model.

Our proprietary technology, Syncore, is an end to end, industry specific order processing platform designed to support efficiency across the full sales order cycle. In 2025, Syncore processed \$1.6bn of sales orders for Partners, representing approximately 6% of industry spend in North America.

This scale enables Facilisgroup to operate a market network (group purchasing organisation), connecting Partners to leading suppliers with preferential commercial terms and access. The resulting community created by Partners, Preferred Suppliers and Facilisgroup supports collaboration through events, learning initiatives, incentive programmes, and awards.

This model generates a powerful two sided recurring revenue income stream, comprising subscription fees from Partners for Syncore and transaction based fees from Preferred Suppliers. Facilisgroup has an established track record of supporting the long term growth of these high quality distributors and suppliers, evidenced by its strong Partner retention and attractive profit margins.

Progress in the year and focus for 2026

During the year, Facilisgroup completed the steps to return to revenue growth in 2026.

The team delivered enhancements to Syncore through a consistent release cycle, reinforcing the platform's technology leadership. A clear development roadmap is in place, including integrations with complementary

technologies and deepened use of the vast data within Syncore to generate valuable insights for Partners and Preferred Suppliers.

We also strengthened how our proposition is communicated to the market through investment in leadership capability, an enhanced sales team, and more focused messaging. As a result, 30 new Partners were contracted in FY 25 (FY 24: 16).

Facilisgroup had 253 Partners as at 31 December 2025 (2024: 239). Attrition has remained low and consistent with prior years with eight Partners having their businesses acquired and four Partners being exited by Facilisgroup, leaving an attrition of four and a high underlying retention rate of 97% (FY 24: 96%).

At circa \$0.5m, the average lifetime value of a new Partner is strong. Against this backdrop, the incremental investment of circa \$1m in 2025 to drive new Partner acquisition is expected to generate attractive returns, supporting revenue growth from 2026 onwards.

GMV increased by 5% to \$1.6bn (FY 24: \$1.5bn), broadly in line with estimated growth across the North American industry. Preferred Supplier purchases of \$0.5bn were flat year on year, reflecting changes in purchasing behaviour influenced by uncertainty around US tariffs. Early activity in 2026 indicates a return towards pre tariff purchasing patterns.

Investment in leadership capability, team quality, and technology continues to deliver tangible results.

Engagement with Partners and Preferred Suppliers remains strong, with a Net Promoter Score in 2025 of 50 (2024: 35).

The momentum in new Partner wins achieved in 2025 has continued into 2026. Given the favourable relationship between Partner lifetime value and acquisition cost, we are continuing to invest to support material growth, which we believe represents an effective and attractive use of capital within the Group.

Our focus for 2026 is to return Facilisgroup to revenue growth, providing a foundation towards becoming a "Rule of 40" business, being the sum of percentage revenue growth and percentage return on sales of Adjusted EBITDA less capital expenditure.

BUSINESS REVIEW – BRAND ADDITION

Brand Addition: *an end-to-end branded merchandise provider that enables companies of scale to build meaningful connections with their customers, employees and communities*

	FY 25	FY 24
Revenue	£107.5m	£107.7m
Gross profit	£39.8m	£37.9m
Gross profit margin	37.0%	35.2%
Adjusted EBITDA	£11.4m	£10.8m
Operating profit	£7.9m	£7.9m
Capital expenditure	£1.6m	£1.8m

CHIEF EXECUTIVE OFFICER'S REVIEW

Financial results

In FY 25, revenue was in line with the prior year at £107.5m (FY 24: £107.7m) as performance improved in the second half of the year, with H2 25 revenue increasing by 3.0% compared to H2 24.

Revenue from new client contracts invoiced during 2025 totalled £6.5m. As a cohort, underlying existing client spend declined by a similar amount, reflecting the financial pressures on clients' budgets in a year of economic disruption. Client contract retention by number remained strong, positioning the business well as new contract wins mature and deliver a full year impact in 2026.

Tariff-related uncertainty, particularly during the first half of the year, created a challenging operational environment. The team responded effectively, with gross margin increasing in FY 25 to 37.0% (FY 24: 35.2%). Following investment into people and processes, Adjusted EBITDA increased to £11.4m (FY 24: £10.8m), representing an improvement in Adjusted EBITDA margin to 10.6% (FY 24: 10.0%).

Approach to the market

Brand control and international consistency is becoming increasingly important to large global organisations when managing their promotional merchandise, which is an integral part of their marketing strategies. Brand Addition aligns with this approach through thoughtfully designed products that engage stakeholders and are delivered via an auditable and high quality supply chain to protect brand integrity.

Brand Addition has built a reputation and infrastructure that results in winning and working with many leading global brands, over the long term. The business provides a range of complex, end to end services underpinned by technology and creative product solutions with a consistent sustainability focus, delivered across multiple geographies.

Brand Addition invoices clients for the products supplied, applying a margin that supports the value added through its systems, experienced teams, and global infrastructure.

Key attributes of Brand Addition and the market in which it operates include:

- a large total addressable market of approximately \$4bn;
- around 800 global opportunities on Brand Addition's active target list;
- strong client retention among well known global brands;
- highly repeatable revenues over the medium term; and
- improved margins from the expansion of services delivered to clients.

Supported by high retention rates, a differentiated service offering, and the scale of the serviceable addressable market, Brand Addition's ambition to achieve organic growth of approximately 5% per annum is considered both disciplined and achievable.

Progress in the year and focus for 2026

Brand Addition entered 2026 with 97% retention of its top 30 clients in FY 25, many being among the world's leading global brands. This high level of retention underpins revenue consistency and supports a sustainable organic growth opportunity.

Since the Group's IPO in 2019, Brand Addition has delivered solid financial performance and cash generation while continuing to support its clients through a period of significant external disruption, including Brexit, COVID 19, supply chain and freight challenges, and changes in US tariffs. This performance demonstrates the strength of the business model, the quality of our people, and the resilience of our client relationships.

Over recent years, the team has expanded the range of services offered to clients, contributing to improved gross margins. Looking ahead, we will continue to manage the cost base of the business with discipline, targeting an Adjusted EBITDA return on sales of 10%+, based on expected gross margins of 35%+.

Following initiatives implemented during 2024 and 2025, the number and value of new business wins improved during 2025. As these contracts are implemented in 2026, we expect a positive impact on revenues in FY 26 and beyond. The new business pipeline entering 2026 remains encouraging.

PEOPLE AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

My thanks go to everyone across Facilisgroup, Brand Addition and The Pebble Group. Their commitment, collaboration and willingness to go the extra mile, often in demanding circumstances, was critical to our progress in 2025 and positions us well for the opportunities ahead.

Our initiatives that fall under the ESG title remain a core driver of our long term, responsible growth. Continued investment in people saw our engagement score increase to 74 (FY 24: 71) and volunteering hours rise 9% to 1,714. In 2025, we launched our net zero strategy, setting revised Scope 1 and 2 targets and introducing Scope 3 commitments. We reduced total Group emissions by 16%, maintained 100% renewable electricity and strengthened Scope 3 data through improved processes and supplier engagement. Governance was further strengthened through new Fraud Prevention and Artificial Intelligence policies, alongside continued progress in responsible sourcing, with 175 supplier assessments completed.

We remain focused on delivering sustainable progress and long term value for all stakeholders. Further detail will be provided in our 2025 ESG Report, to be published in March 2026.

CURRENT TRADING AND OUTLOOK

At Facilisgroup, we are becoming increasingly confident in the high Partner lifetime value and our ability to convert new Partners at a healthy acquisition cost. Therefore, we will continue to invest for profitable growth to maximise long term cash flow. We expect this investment to begin generating accelerated revenue growth from 2026 onwards.

Alongside this, new business momentum continues at Brand Addition and in 2026 we seek to increase revenues whilst maintaining the improvement in profit margins.



Chris Lee

Chief Executive Officer

16 March 2026

MARKET REVIEW

A large and growing market.

WHY ARE PROMOTIONAL PRODUCTS USED?

Businesses of **all sizes, sectors and geographies** use products branded with their name or key message.

They are used to **build culture, increase brand awareness and foster meaningful connections** with stakeholders, including existing and potential clients, employees and suppliers.

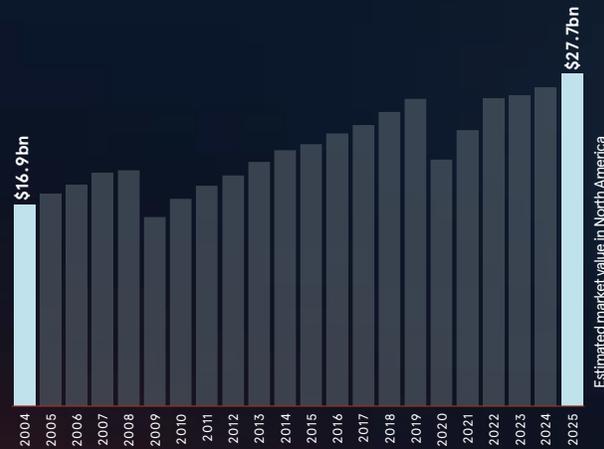
The right strategy can help businesses build a **long-lasting, positive emotional connection** with recipients, reminding them of the brand each time they use or wear a product.

INDUSTRY GROWTH AND DEVELOPMENT

The global promotional products market is valued at approximately \$50bn, of which 50% is in North America. Promotional products are often a key component of a business’s marketing strategy, with cost-per-impression and return on investment being highly attractive.

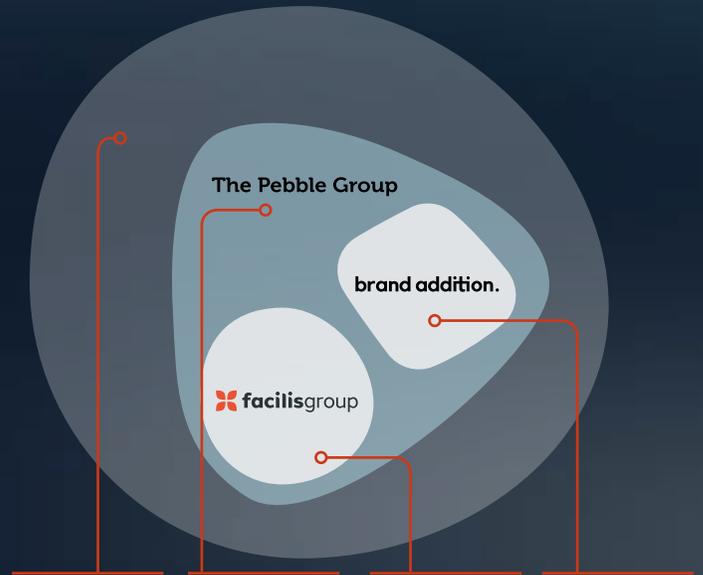
Businesses are increasingly choosing to work with promotional product distributors that can develop product strategies that resonate with their target audience both locally and globally.

Businesses have become more considered in their approach, investing in products that engage employees and customers, align with brand values, are made from more sustainable materials and are useful, helping to generate as many brand impressions as possible.



Advertising Speciality Institute (ASI) reported industry sales revenue (North America).

MARKET OPPORTUNITY



circa.
\$50bn
Global industry

\$1.7bn
Visibility of sales of promotional products

\$1.6bn
Gross merchandise value through our technology

\$0.1bn
Sales of promotional products

OUR BUSINESSES IN DETAIL



Partner Gross Merchandise Value (GMV)

\$1.6bn

Purchases from Preferred Suppliers

\$0.5bn

Facilisgroup is a strategic partner that brings together **powerful technology, proven processes, supply chain advantages and a connected community** to empower promotional products distributors in North America to scale efficiently and grow profitably.

Facilisgroup targets growth-oriented promotional product distributors with annual sales typically exceeding \$2m and as large as \$70m, resulting in a total addressable market of more than 5,000 businesses.

Facilisgroup’s industry-specific end-to-end order processing platform, **Syncore**, provides promotional product distributors with the tools and processes they need to run their businesses efficiently. Syncore enables distributors to reduce order processing time, increase margins and get paid faster, serving their clients better at scale.

When distributors join Facilisgroup, they are more than our customers; they are our **Partners**. We work with Partners over the long term, to ensure their success. Within two years of joining Facilisgroup, new Partners, on average, have grown their revenues by 14% and collectively the Partners, with a 2025 Gross Merchandise Value of USD 1.6bn, represent circa 6% of the market, the largest consolidated spend in the industry.

Our Syncore technology is supplemented by a powerful **Market Network** (group purchasing organisation) supported by the industry’s most valued suppliers (**Preferred Suppliers**) and by the creation of a learning and collaboration community between the Partners, Preferred Suppliers and Facilisgroup.

This model generates a powerful two-sided recurring revenue income stream, comprising subscription fees from Partners for Syncore and transaction-based fees from our Preferred Suppliers.



Our model



Partner journey



OUR BUSINESSES IN DETAIL

Strategic goals and objectives.

Learn more at facilisgroup.com

facilisgroup

Facilisgroup’s ambition is to provide industry-leading technology that drives its Partners’ and Preferred Suppliers’ growth and advantage and to further grow its community of Partners and Preferred Suppliers through shared learning and connections.



	TEAM	TECHNOLOGY	COMMUNITY
Strategic objective	Create an engaged team, widening its experience day by day. Drive success for individuals, their teammates and the Company.	Demonstrate a leadership position in technology that creates business growth and advantage for our Partners and Preferred Suppliers.	Strive for mutual success with our Partners and Preferred Suppliers. Learning, celebrating, networking and connecting leadership.
Progress in the year	<p>In 2025, Facilisgroup maintained its strong employee engagement scores.</p> <p>We strengthened how our proposition is communicated to the market through investment in leadership capability, an enhanced sales team and more focused messaging. As a result, 30 new Partners were contracted in 2025 (2024: 16).</p>	<p>In 2025, continued enhancements to Syncore were delivered through a consistent release cycle, reinforcing the platform’s technology leadership.</p> <p>A clear development roadmap is in place, including integrations with complementary technologies and deepened use of the extensive data within Syncore to generate valuable insights for Partners and Preferred Suppliers.</p>	<p>Partner numbers at 31 December 2025 were 253 (31 December 2024: 239). Partner attrition remained low and comparable with prior years.</p> <p>We achieved deep engagement with our Partners and Preferred Suppliers, achieving a Net Promoter Score (NPS) of 50 (FY 24: 35).</p> <p>In FY 25, GMV increased by 5% to USD 1.6bn (FY 24: USD 1.5bn).</p>
Goals for 2026	Build on the progress of 2025, through continued investment in our teams to further strengthen our sales and marketing operations and maintain a highly engaged workforce.	Deliver against our development roadmap to continually enhance our technology and maintain a leadership position in the end-to-end order processing system within our target market.	Continue our high levels of engagement across our community, driving continued growth in Partner numbers and GMV.
Alignment to our values	 CONNECTED TO OUR STAKEHOLDERS	Facilisgroup’s technology products transform connections between promotional product suppliers and distributors across the industry.	

OUR BUSINESSES IN DETAIL

brand addition.

Revenue in FY 25

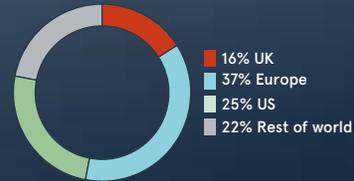
£107.5m

Long-term relationships

97%

retention of top 30 clients in FY 25

GLOBAL PRESENCE
Revenue by destination %



Brand Addition is an **end-to-end branded merchandise provider** that helps global brands build culture, awareness and meaningful connections with their customers, employees and communities.

We extend our clients' values in thoughtful, sustainable, conscious ways to create branded moments that people love.

Headquartered in Manchester, Brand Addition has locations in Europe, the US and Asia. Working in close collaboration with its clients, Brand Addition designs creative and sustainable products and product ranges, hosts client-branded eCommerce platforms and provides international sourcing and distribution solutions throughout Europe, North America and Asia. It utilises its global network to ethically source and deliver complex and creative product solutions.

Our most significant contracts are valued in the millions of pounds, with the products and services supplied being used for brand building, customer engagement and employee incentives. It has a large total addressable market of approximately \$4bn, with around 800 global opportunities on its active target list.

Brand Addition's revenues are generated by selling products through **Corporate Programmes** that support its clients' general marketing activities via B2B and B2C stakeholder engagement and **Consumer Promotions** that support its clients to drive their own sales volumes across all retail channels.



Our model



Partner journey



OUR BUSINESSES IN DETAIL

Strategic goals and objectives.

Learn more at brandaddition.com



brand addition.

Brand Addition’s core strategy is to win, grow and retain multi-country outsourced contracts. Helping clients build culture, awareness and meaningful connections with their customers, employees and communities.

	WIN	GROW	RETAIN
Strategic objective	Attract new client contracts with major international brands who value great products, which are well-sourced and delivered across multiple geographies.	Use our experience and global reach to expand revenues with existing clients across their brands and geographies.	Build long-term trust and relationships with clients to provide a sound foundation for sustainable revenue growth.
Progress in the year	Revenue from new client contracts totalled £6.5m and 8 new clients were won during the year.	An uncertain economic climate has proved difficult to expand the spend by, and services to, our existing clients, although these clients are major brands and their retention will bring future growth opportunities.	Brand Addition’s top 20 clients account for 77% of its revenue. Brand Addition retained 97% of its top 30 clients in FY 25.
Goals for 2026	Attract new client contracts in 2026 with major international brands through our ESG credentials, global reach and creative product design.	Successfully implement the new client contract wins to support 2026 revenue growth, whilst seeking new revenue opportunities with existing clients.	Retain our major client contracts in 2026 through ongoing service improvement and engagement.
Alignment to our values	 AMBITIOUS POSITIVITY		Brand Addition is ambitious in its continued growth as a trusted promotional product supplier to new and existing global brands.

OUR STAKEHOLDERS AND SECTION 172

Engaging with our stakeholders.

Fostering effective business relationships with our stakeholders is critical to our long-term success.

We are committed to maintaining strong, open relationships with our stakeholders to ensure a clear understanding of their interests and expectations. This engagement helps us to build long-term partnerships, foster an open culture, invest in our people, respect the environments in which we operate and create sustainable value for our shareholders.

The Directors have discharged their duties under Section 172(1) of the Companies Act 2006 by having regard to the matters set out in Section 172(1)(a) to (f) when promoting the success of the Group for the benefit of its members as a whole. In doing so, the Directors considered, among other factors:

- (a) the likely long-term consequences of their decisions;
- (b) the interests of the Group's employees;
- (c) the need to foster strong relationships with suppliers, customers and other stakeholders;

- (d) the impact of the Group's operations on the community and the environment;
- (e) the desirability of maintaining high standards of business conduct; and
- (f) the need to act fairly between members of the Group.

The Board's understanding of stakeholder interests is informed by the stakeholder engagement activities described in this section of this Annual Report. It summarises how the Group engages systematically with its stakeholders, the key matters discussed with them in 2025 and the outcomes of those engagements.

Section 172 considerations are embedded in decision-making at Board level and throughout the Group. Examples of how the Directors applied their Section 172 duties when taking key decisions during 2025 are provided on pages 18 and 19.



“This engagement helps us to build long-term partnerships, foster an open culture, invest in our people, respect the environments in which we operate and create sustainable value for our shareholders”

OUR STAKEHOLDERS AND SECTION 172

EMPLOYEES

Our people are fundamental to our success.

**Why we engage**

We engage with our employees to foster a positive, inclusive culture that is sensitive to the issues that affect them, so they can thrive and grow.

Sharing information with and consulting our employees on matters of concern helps them feel heard and valued.

Engagement also ensures that our teams are aligned with the Group's purpose, strategy and goals, are invested in the success of our businesses and are effective in their roles.

Ultimately, this enables us to develop and invest in people in the right way.

How we engage

Our twice-yearly engagement surveys give all team members the opportunity to share their opinions about working for the Group and how we can improve.

In addition, each of Facilisgroup and Brand Addition provides global and local update meetings, newsletters and emails from their President and Group Managing Director (Divisional Leads) respectively and senior management.

Each business maintains its own learning and training platforms to disseminate information, promote culture and cascade values and expectations.

Our Whistleblowing Policy enables team members to report concerns anonymously.

Initiatives are conducted throughout the year to promote different cultural events and a diversity, equity and inclusion (DEI) Steering Committee that meets biannually.

Key topics of engagement in 2025

Usage of, and ideas for implementation of, artificial intelligence (AI) technologies.

Obtaining employee views on the delivery, frequency and format of business updates.

Diversity, equity and inclusion monitoring.

Key engagement outcomes in 2025

Representatives from Facilisgroup and Brand Addition provided updates to the Board on the deployment of AI-enabled tools to support operational efficiency, enhance decision-making and improve the experience we deliver to our Partners, clients and end customers. The Group also implemented a new Artificial Intelligence Policy.

In 2025, Brand Addition launched its 'Cheers for Peers' platform to encourage employees to share their appreciation for one another and to reward collaboration. It also introduced a new Learning Management System (LMS). Brand Addition was named one of the 'Greatest Companies to Work For' by the Promotional Products Association International (PPAI).

Facilisgroup changed its all-business meetings to virtual only in response to employee feedback and held regular cross-office social events, including a 'Facilisgroup Olympics' event.

The Group's combined employee engagement score increased to 71 in 2025 (2024: 69).

The Group maintained a strong gender balance. Please see page 28 for more information on the Group's DEI progress during the year.

For further information on how the Group engaged with its employees during the year, please see page 29.

CLIENTS AND PARTNERS

A quality client and Partner base from which our businesses can nurture strong, long-term relationships is crucial to the long-term success of our businesses.

**Why we engage**

Effective engagement is key to attracting and retaining our high-quality client and Partner base. It builds valuable relationships and supports priority setting within our businesses.

Our clients' and Partners' success is supported by the quality of our products and services.

Engagement creates medium to long-term value for both parties.

How we engage

Facilisgroup's elected Partner Advisory Committee (PAC), chaired by senior management, provides direct insight into Partner needs and priorities. The business maintains close relationships through site visits, regular all-Partner webinars on key developments and ongoing support from dedicated Partner Success Managers.

Facilisgroup further strengthens its community through emPOWER events that promote the role of women in the promotional products industry.

Brand Addition strengthens its client relationships through regular Quarterly Business Reviews with key clients, supported by onsite visits that deepen understanding of strategic and operational needs and opportunities.

Satisfaction among both Brand Addition clients and Facilisgroup Partners is measured via structured feedback mechanisms such as questionnaires and NPS surveys.

Key topics of engagement in 2025

Both businesses continued to collaborate closely with clients on the development and enhancement of their respective technology platforms, service offerings and support models. This work was complemented by joint conversations with clients and Partners about growth and marketing strategies, ensuring alignment with evolving market dynamics and client and Partner needs.

The role of women within the promotional products industry was supported and promoted through Facilisgroup's emPOWER events.

Brand Addition continually collaborates with its clients on their marketing and growth strategies to ensure the alignment and effectiveness of the promotional products it supplies. In particular, during the year, Brand Addition engaged on emerging product trends within the promotional merchandise industry, ensuring that clients' ranges of promotional merchandise products are responsive to shifting consumer preferences and product innovations.

Key engagement outcomes in 2025

During the year, NPS and quarterly business review (QBR) outcomes were used to inform Brand Addition's client relationship and retention strategy and to shape Facilisgroup's technology roadmap.

Throughout 2025, Brand Addition published guidance to help its clients to maximize the impact of their merchandise programmes, including insights on ROI of branded merchandise, creative merchandising, gifting strategies and responsible sourcing. Brand Addition also maintained strong industry engagement by attending major sector events and trade shows, including Paris Packaging Week.

Facilisgroup hosted its annual Partner Summit, Supplier Showcase and events throughout the year which brought together more than 1,100 industry professionals for education, innovation and celebration.

emPOWER events and workshops were held throughout the year, including an in-person event at the 2025 Facilisgroup Partner Summit.

For further information on how the Group engaged with its clients and Partners during the year, please see page 30.

OUR STAKEHOLDERS AND SECTION 172

STRATEGIC SUPPLIERS

The quality of our products and services is heavily influenced by careful management of strategic supplier relationships.

**Why we engage**

Developing a community between suppliers and Partners is a key part of Facilisgroup's business model which creates additional opportunities for all.

In Brand Addition, a diverse and robust supply base made up of long-term trusted partnerships is important to manage global supply chain challenges and to meet clients' and the Group's commitment to ethical values, ESG and sustainability standards.

How we engage

In Facilisgroup, Preferred Suppliers actively participate in Facilisgroup's market network which enables the building of strong relationships between both parties and with others in the promotional products industry.

In Brand Addition, regular face-to-face and virtual meetings are held with suppliers and they are given access to training webinars and workshops. In addition, suppliers are subject to a code of conduct, two-way supplier evaluation processes, audit processes, annual ESG and value chain engagement surveys and annual scorecards.

Key topics of engagement in 2025

Key discussions centred on shifting industry trends and how these developments might shape future commercial relationships, ensuring suppliers were aligned with anticipated market expectations and customer needs. Suppliers also contributed insights on global events affecting sourcing and supply chain stability, enabling collaborative planning around continuity, lead times and risk mitigation.

A significant area of supplier engagement involved supporting the Group's ESG and sustainability commitments. Conversations addressed environmental impact, ethical sourcing standards, product quality and

the sustainability of materials, packaging and end-to-end supply chain practices. Strategic suppliers also shared progress on their own sustainability initiatives and carbon-reduction plans, strengthening collective efforts toward responsible and transparent operations.

Compliance remained a core focus, with ongoing dialogue around meeting regional and local requirements for product safety, labelling and packaging to ensure all goods supplied were fully compliant. Additionally, both businesses continued to highlight and support initiatives that advance the role of women within the promotional products industry, aligning supplier relationships with broader diversity, equity and inclusion priorities.

Key engagement outcomes in 2025

Facilisgroup's Preferred Suppliers actively participated in its Partner Summit event, Supplier Showcase trade show and emPOWER events. In 2025, Facilisgroup also hosted two top executive events at a Preferred Supplier's headquarters.

In 2025, Brand Addition's teams undertook extensive supplier engagement activity, attending industry exhibitions across the UK, Europe (including Germany, Poland, Spain and France), the USA and Asia to meet with existing and prospective suppliers. Brand Addition also hosted its Annual EU Supplier Conference, bringing together 18 key suppliers for a day of networking, collaboration and awards.

For further information on how the Group engaged with its strategic suppliers during the year, please see pages 30 and 31.

SHAREHOLDERS AND WIDER INVESTMENT COMMUNITY

The Board seeks shareholders who are aligned with its long-term objectives.

**Why we engage**

The Board engages with the investment community with the aim of continually developing a good understanding of the Group's business model, strategic objectives and culture.

Regular engagement helps investors understand the Group's operations, financial performance and governance, with the aim of providing the necessary information to ensure that all investors can make informed judgements.

Access to long-term capital supports the Group's strategy and enables our businesses to invest and grow.

The Board reports on ESG because investors and analysts require detailed information to guide their investment stewardship activities.

How we engage

We hold investor roadshows twice a year, coinciding with the Group's half year and full year results, to enable our institutional investors to meet with our CEO and CFO.

Our CEO and CFO present our half year and full year results to investors via webcast, with recordings made available on the Group's website. The Investors section of our website also includes access to our Annual Report and Accounts, presentations and trading updates.

Our AGMs also provide further opportunities for our shareholder community to engage directly with our Board of Directors.

Key topics of engagement in 2025

During its dialogue with major shareholders during the year, the Company obtained shareholder views and perspectives on the medium and long-term business strategy of the Group, preferred methods of returning of value to shareholders and preferences for the Group's capital allocation policy.

In 2025, the Company also undertook a formal shareholder consultation and approval process in respect of the remuneration of the Executive Directors.

Key engagement outcomes in 2025

Investor relations activity and feedback are discussed regularly at Board meetings and factored into decision-making.

In 2025, engagement with our shareholders influenced our decisions to return value to shareholders through a tender offer process and to appoint a new Non-executive Director with significant investor experience.

Shareholder approval was obtained in respect of the tender offer and a new Long Term Incentive Plan (LTIP) for the Executive Directors through shareholder votes at the Company's General Meeting in August 2025.

OUR STAKEHOLDERS AND SECTION 172

Equitable long-term decision-making.



SECTION 172 CONSIDERATIONS

- A** Likely long-term consequences
- B** Employee interests
- C** Relationships with customers, suppliers and others
- D** The impact on the community and environment
- E** Maintaining a reputation for high standards of business conduct
- F** Acting fairly between members of the Group

STAKEHOLDERS

- Employees
- Clients and Partners
- Suppliers
- Shareholders and investment community

Key business decision

SHIFT IN OPERATIONAL FOCUS AT FACILISGROUP

In 2025, the Board decided to redeploy some of the cash saved from a reduction in capital expenditure at Facilisgroup to invest in sales and marketing initiatives and accelerate rates of new Partner acquisition.

Section 172 considerations

- A**
- B**
- C**
- E**

The Board considered that:

- additional leadership expertise in new business development and go-to-market strategies would support the Facilisgroup’s long-term organic growth strategy;
- additional expertise in business development and go-to-market implementation would benefit existing employees;
- increased Partner numbers would strengthen the breadth and depth of the Facilisgroup community for the benefit of its Partners and Preferred Suppliers; and
- acceleration of new Partner acquisition rates would enhance shareholder value by returning Facilisgroup to sales growth.

Outcome of the decision



In 2025, the Directors oversaw the transition of Facilisgroup from an intensive capitalised development phase to one focused on commercial execution, revenue expansion and market engagement. In March 2025, Facilisgroup appointed a new Chief Revenue Officer to reinvigorate and accelerate organic growth.

This strategic decision aligned with Facilisgroup’s objectives of building an engaged team, demonstrating its industry leadership in technology and striving for mutual success with its Partners.

OUR STAKEHOLDERS AND SECTION 172

SECTION 172 CONSIDERATIONS

- A** Likely long-term consequences
- B** Employee interests
- C** Relationships with customers, suppliers and others
- D** The impact on the community and environment
- E** Maintaining a reputation for high standards of business conduct
- F** Acting fairly between members of the Group

STAKEHOLDERS

-  Employees
-  Clients and Partners
-  Suppliers
-  Shareholders and investment community

Key business decision

NEW EXPERT LEADERSHIP ROLE AT BRAND ADDITION

In 2025, the Group appointed a new Director of Global Purchasing, Merchandising and Compliance at Brand Addition.

Section 172 considerations



The Board considered that:

- maintenance of strong gross margins through maximisation of supplier spend was important to the long-term growth of revenues and profit at Brand Addition;
- additional leadership in purchasing, merchandising and compliance would benefit Brand Addition's employees as a whole;
- consolidation of Brand Addition's supply chains and supplier base could strengthen supplier relationships and drive operational efficiencies for its and its clients' benefit;
- high standards of compliance and alignment of Brand Addition's supply chain operations with its ESG strategy and commitments remained a strategic priority; and
- appointment of an expert in supply chains and merchandising would maintain Brand Addition's reputation as a leader in its industry.

Outcome of the decision



In 2025, the Board oversaw the successful appointment of a Director of Global Purchasing, Merchandising and Compliance at Brand Addition.

This appointment supported Brand Addition's strategic objectives of attracting new clients, expanding revenues and maintaining long-term trust with its existing clients.

Despite a year of economic uncertainty, close management of gross margins and cost controls resulted in increased profitability on revenues in line with 2024.

Key business decision

ACCELERATION OF SHAREHOLDER RETURNS

During 2025, the Group replaced its existing share buyback programme and undertook a tender offer process to enhance shareholder value and accelerate returns.

Section 172 considerations



The Board considered that:

- a reduction in the Company's issued share capital could have a positive effect on the liquidity of the Group's shares over the long term;
- a positive impact on share price would benefit shareholders and those employees who participated in the Company's LTIP and share save schemes;
- a tender offer process allowed capital to be returned more quickly and transparently than the existing share buyback programme, thereby maintaining the Group's reputation of high standards of business conduct; and
- a tender offer process allowed all shareholders to participate equally in proportion to their overall shareholding.

Outcome of the decision



In 2025, the Board approved a tender offer process, which was subsequently implemented following shareholder approval at a General Meeting. The Group returned £6.5 million to shareholders via the process.

This strategic decision aligned with the Group's aim of creating long-term value and sustainable growth for its stakeholders.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Integrating ESG for long-term success.

We aim to create a workplace that is inclusive, forward-thinking and resilient by embedding ESG principles across our Group. We aim to address the key environmental and social challenges affecting us all, reducing our footprint and influencing our value chain to act responsibly.

Listening to our stakeholders remains central to our approach. Their insights help us prioritise the ESG issues that matter most to them and to our businesses' long-term success. We recognise the importance of our responsibilities and integrate these priorities into our strategy to ensure sustainable growth of our businesses over the long term.

Through ESG, we set commitments that drive meaningful change and hold ourselves accountable. Transparent reporting and disclosures allow us to share progress openly and demonstrate how we differentiate as a Group.

Strong governance underpins everything we do. By managing risks and impacts across our operations, we act responsibly and strive to create positive outcomes for people and the planet. Transparency is key to allow us to communicate our targets, actions and achievements clearly.

Our ESG strategy is built on four cornerstones shaped by ongoing dialogue with stakeholders. These pillars focus on reducing environmental impact, attracting and retaining talent, supporting communities and operating with integrity. Together, they form the fundamental principles of our ESG approach.

OUR ESG CORNERSTONES



Advancing sustainability

We aim to make a positive long-term contribution by reducing the environmental impact of our operations across all aspects of our business, including by offering innovative products and solutions that support the circular economy.



Empowering our people

We strive to create a safe, inclusive culture where our people can thrive and grow, celebrating individuality and diversity.



Community engagement

We are committed to creating a lasting positive social impact in our local community while building a strong distributor network that promotes growth, innovation and collaboration across the industry.



Responsible leadership

We lead responsibly through good governance, expressed in our own tone of voice. By embedding clear policies, processes and safeguards tailored to our Group, we aim to protect stakeholder interests and mitigate risk.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

2025 highlights.

REDUCTIONS IN EMISSIONS AND ENERGY CONSUMPTION

[Read more](#)

16%

reduction in **carbon emissions** from prior year.

2%

reduction in **energy consumption** from prior year.

NET-ZERO STRATEGY LAUNCHED

Scope 1 and Scope 2 targets revised and Scope 3 target set to align with the Science Based Targets Initiative (SBTi) framework.

[Read more](#)

STRONG SUPPLIER STANDARDS AND ETHICAL SOURCING

175 supplier assessments completed and 95% of top suppliers signed the ethical code of conduct.

[Read more](#)



Group improvement from

69 → 71

in 2024

in 2025



IMPROVED EMPLOYEE ENGAGEMENT SCORES

[Read more](#)

INDUSTRY RECOGNITION

Brand Addition ranked 16th in the Promotional Products Association International (PPAI) Top 100 and was named one of the 'Greatest companies to work for'

[Read more](#)

IMPROVEMENTS IN PACKAGING AND WASTE MANAGEMENT

[Read more](#)



91%

of **site waste** recycled or sent for **energy recovery**.

96%

of purchased packaging contains recycled content.

1,714

volunteering hours delivered, a 9% increase from prior year.



GROWTH IN VOLUNTEERING AND COMMUNITY ENGAGEMENT

[Read more](#)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Progress against our targets.

Revised or updated in 2025

-  On track or achieved
-  Further work needed

In 2025, we updated our ESG strategy and some of the targets to reflect progress against existing goals and to respond to evolving business needs, stakeholder expectations and upcoming regulatory changes. The Group's four ESG cornerstones remain central to our direction and strategic approach.

The most significant update is the inclusion of Scope 3 targets, aligned with the Group's ambition to reach net-zero by 2050, following a science-based approach consistent with limiting global warming to 1.5°C above pre-industrial levels.

CORNERSTONE	PRIORITIES	2030 OBJECTIVES	STATUS	PROGRESS UPDATE
 Advancing sustainability	Reduce GHG emissions and our environmental impact.	Maintain a minimum 63% reduction in Scope 1 and Scope 2 absolute emissions and offset residual emissions with high-quality carbon offsets.		Maintained the reduction target of 63% and achieved a further 2% reduction in energy consumption, reducing Scope 1 and Scope 2 emissions by 4 tonnes CO ₂ e from prior year.
		Maintain 100% renewable electricity across our operations.		100% renewable electricity is maintained across Group operations through renewable electricity contracts and renewable energy credits (RECs).
		Target a 50% reduction in Scope 3 emissions per £m revenue by 2030 (66% by 2035).		29% reduction in Scope 3 emission intensity from our 2021 base year and a 16% reduction from prior year.
	Expand the range of sustainable products and support customers in becoming more sustainable.	Continued development of bespoke customer-focused products and stock ranges made from sustainable materials.		Brand Addition continued to support customers in making more responsible product choices by reviewing existing stock ranges, recommending more sustainable alternatives and offering expert advice on materials and sourcing practices.
		Make packaging more sustainable and reduce waste.	Continue efforts to minimise the amount of single-use plastic in product packaging and transit packaging.	
 Empowering our people	Expand Group diversity.	Aim to achieve zero waste to landfill by 2030 across all warehouses and distribution centres.		78% of waste was recycled, 13% was sent for energy recovery and 9% was sent to landfill (down from 11% in 2024).
		Foster an inclusive culture where everyone feels valued, respected and treated fairly.		The Group maintained a strong gender balance. Initiatives are conducted throughout the year to promote different cultural events and a DEI Steering Committee meets biannually.
	Attract, retain and develop our employees.	Aim to achieve and maintain an employee engagement score of 75 or higher.		The Group's combined employee engagement score increased from 69 in 2024 to 71 in 2025.
	Provide opportunities and training to help our people achieve their goals.	Support career growth through online training and appraisals to identify development needs and mentoring opportunities.		In 2025, the Group strengthened employee development through expanded training and mentoring and Brand Addition introduced a new Learning Management System (LMS).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Revised or updated in 2025

 On track or achieved Further work needed

ESG REPORT 2025

For more detailed information on our ESG performance, targets and plans, please refer to our full ESG Report, which is available on the Company's website.

CORNERSTONE

PRIORITIES

2030 OBJECTIVES

STATUS

PROGRESS UPDATE



Community engagement

Provide support and charitable giving to local communities.

Aim to volunteer 1,000 hours annually to support local community projects and encourage at least 50% of team members to participate in volunteering activities to learn new skills and support local projects.



1,714 volunteer hours in 2025 through targeted volunteering activities such as Facilis Cares events, Earth Day and individual volunteering, a 9% increase from the prior year (1,576 hours in 2024).

Build and grow relationships in the industry to expand the Facilisgroup community.

Grow the Facilisgroup distributor community through organised events, education, collaboration and training.



Facilisgroup hosted two main events in 2025, bringing together suppliers and distributors across the industry for collaboration, training and expanding relationships.

Implement and continuously improve key policies and frameworks to ensure effective governance.

Development and continual improvement of key Group-level policies.



Two new Group-level policies were implemented: an Artificial Intelligence Policy and a Fraud Prevention Policy. All other policies were reviewed for suitability and re-approved by the Board.

Regularly engage with all stakeholders.

Improve the supplier assessment programme by incorporating additional ESG-related assessment criteria into supplier selection.



Ongoing review and improvements to the supplier assessment programme.

Raise standards in our supply chain and increase ESG supplier screening.

Regularly evaluate suppliers to ensure alignment with our ethical and environmental standards.



175 vendor assessments were conducted in 2025 and 95% of the top 100 suppliers signed the Brand Addition code of conduct.

Achieve SOC2 certification at Facilisgroup and maintain ISO27001 certification at Brand Addition, reinforcing our commitment to data security and responsible business operations.



SOC2 Type 1 certification achieved at Facilisgroup in January 2026 and Brand Addition maintained its ISO27001 certification.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Advancing sustainability.

GREENHOUSE GAS (GHG) EMISSIONS AND ENERGY USAGE

Sustainability remains central to the Group's long-term vision. We recognise that our operations have an environmental impact and we are determined to minimise it while supporting the transition to a low-carbon, circular economy.

In 2025, we made positive progress towards our environmental goals, guided by our newly developed net-zero strategy and a clear set of revised targets. The Board approved our net-zero roadmap in November 2025 and set ambitious targets to reduce greenhouse gas emissions, aligned with guidance from the SBTi and the principles of the Paris Agreement.

SCOPE 1 AND SCOPE 2 EMISSIONS

The Group has committed to a 63% absolute reduction in Scope 1 and 2 emissions by 2035 (near-term target) and a 90% reduction by 2050 (long-term target), using 2021 as our base year.

SCOPE 3 EMISSIONS

For Scope 3 emissions, which account for the majority (99%) of our total carbon footprint, our goal is to achieve a 66% reduction per £m of revenue by 2035 (near-term target) and a 97% reduction by 2050 (long-term target), using 2021 as our base year.

In 2025, we continued to strengthen the quality and accuracy of our carbon emissions data, particularly across transport and logistics and purchased goods and services, which together account for the majority of our emissions. A combination of initiatives including improved supplier selection, enhanced data quality, reduced reliance on air freight, more granular internal reporting and the ongoing expansion of activity-based methods supported by supplier-specific data directly contributed to reducing our emissions.

As a result, we achieved a 58% reduction in upstream transport and logistics emissions and a 7% reduction in purchased goods and services emissions compared with the prior year. This contributed to a total Scope 3 reduction in the year of 16% per £m revenue and a 29% reduction from our 2021 base year.

SUPPLIER ENGAGEMENT AND VALUE CHAIN INITIATIVES

Supplier engagement remains central to improving emissions visibility and supporting our net-zero roadmap. The 2025 value chain engagement survey showed increasing participation, with 46% of suppliers now measuring emissions and setting reduction targets, including 5% with science-based targets and a further 5% validated by the SBTi. However, 53% are not yet measuring their emissions, highlighting the need for continued progress.

In 2026, we will continue to strengthen the quality of emissions data received from suppliers and deepen engagement across the value chain. This includes reinforcing the importance of measuring and reducing emissions and improving how supplier data is used to align emission factors and more accurately reflect reductions in our Scope 3 reporting.

ENERGY USE AND EFFICIENCY

In terms of energy use, we saw a 3% increase in gas consumption, with the most significant increase at our German warehouse, driven by higher usage in December compared to the prior year. Electricity consumption decreased by 2% compared to 2024, largely due to the continued benefits of relocating the Facilisgroup Canada office to a newer, more energy-efficient facility.

We maintained 100% renewable electricity across all operations, sourced through direct renewable energy contracts or RECs when direct contracts were unavailable. Currently, 28% of renewable electricity is obtained directly from energy providers, while 72% is covered through RECs.

The Group remains committed to increasing the proportion of renewable electricity sourced directly as additional options become available.

Energy efficiency remains a key focus area. Initiatives implemented during the year included:

- replacement of older lighting with LED alternatives;
- optimisation of heating and cooling systems; and
- promotion of energy-saving behaviours among employees.

The GHG emissions and Streamlined Energy and Carbon Reporting (SECR) section on the following page provides a breakdown of the Group's GHG emissions and energy consumption for 2025 and a comparison to the prior year.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

GHG emissions and Streamlined Energy and Carbon Reporting.

SECR RESULTS

Under the Companies (Directors' Report) and Limited Liability Partnerships (Energy & Carbon Report) Regulations 2019, we are mandated to disclose our UK energy use and associated GHG emissions. Specifically and as a minimum, we are required to report GHG emissions relating to natural gas, electricity and transport fuel, as well as an intensity ratio, under the SECR Regulations. In the table, we report GHG emissions and energy usage for the Group and split out the relevant UK-based operations required for SECR.

A full breakdown of Group emissions and energy consumption against the base year and previous years is detailed in the 2025 ESG Report, which is available on the Company's website.

GREENHOUSE GAS AND ENERGY BREAKDOWN		2025		2024		VARIANCE	
		UK	GROUP	UK	GROUP	UK	GROUP
ENERGY CONSUMPTION (MWh)							
	Natural gas	0	681	0	613	0%	11%
	Renewable gas (Biogas)	222	222	267	267	-15%	-17%
	Electricity (Standard)	0	0	0	0	-	-
	Electricity (Renewable)	276	1,278	271	1,303	2%	-2%
	Transport fuel	0	100	11	154	-100%	-35%
CARBON EMISSIONS (TONNES CO₂e)							
	Scope 1						
	Stationary combustion (Gas)	45	183	54	176	-17%	4%
	Mobile combustion (Company-owned vehicles)	0	24	0	35	-	-31%
	Scope 2						
	Purchased electricity (Location-based)	47	400	52	364	-10%	10%
	Purchased electricity (Market-based)	0	0	0	0	-	-
	Scope 3						
	Purchased goods and services	-	37,179	-	39,894	-	-7%
	Fuel and energy-related activities	-	140	-	139	-	1%
	Upstream transportation and distribution	-	3,794	-	9,014	-	-58%
	Waste generated in operations	0	11	0	11	0%	0%
	General business travel	-	664	-	882	-	-25%
	Business travel in employees' own vehicles	8	9	7	7	14%	29%
	Employee commuting	-	493	-	482	-	2%
	Total Scope 1 and Scope 2 emissions (Location-based)	92	607	106	575	-13%	6%
	Total Scope 1 and Scope 2 emissions (Market-based)	45	207	54	211	-17%	-2%
	Total Scope 3 emissions	8	42,290	7	50,429	14%	-16%
	Total gross emissions (Location-based)	100	42,897	113	51,004	-12%	-16%
	Total gross emissions (Market-based)	53	42,497	61	50,640	-13%	-16%
	Total energy consumption (MWh)	498	2,281	549	2,337	-9%	-2%
	% Renewable electricity	100%	100%	100%	100%	0%	0%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Methodology

1. Emissions reporting is consistent with the reporting requirements of the GHG Protocol Corporate Accounting and Reporting Standard, Revised Edition (2004) and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).
2. Group emissions columns include UK emissions.
3. GHG emissions have been calculated by each business and then summarised in this table.
4. 'Biogas' is purchased from UK gas from our energy provider, backed by RGGOs / BMCs.
5. All carbon emissions have been calculated using the Normative carbon reporting engine unless otherwise stated.

Brand Addition

Employee commuting has been calculated using the relevant 2025 DEFRA (Department for Environment, Food & Rural Affairs) emissions factors.

Facilisgroup

Employee commuting has been calculated using the relevant 2025 DEFRA emissions factors.

Scope 3 emissions have been calculated using the US EPA Supply Chain Greenhouse Gas Emission Factors v1.3, by NAICS-6.

GREENHOUSE GAS AND ENERGY BREAKDOWN

INTENSITY METRICS (TONNES CO ₂ e PER £M OF REVENUE)	2025		2024		VARIANCE	
	UK	GROUP	UK	GROUP	UK	GROUP
Intensity ratio (Location-based)	1.59	343	1.79	408	-12%	-16%
Intensity ratio (Market-based)	0.84	340	0.97	405	-13%	-16%
Scope 3 Intensity ratio	0.13	338	0.11	403	14%	-16%
NET CARBON EMISSIONS (TONNES CO ₂ e)	UK	GROUP	UK	GROUP	UK	GROUP
Offsets purchased	0	37	0	0	-	-
Total net emissions (Location-based)	100	42,860	113	51,004	-12%	-16%
Total net emissions (Market-based)	53	42,460	61	50,640	-13%	-16%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Product sustainability.

PRODUCT SUSTAINABILITY

Brand Addition helps customers discover innovative products and enables brands to engage effectively with their target audience. As a client-led business, Brand Addition operates as a promotional products agency, sourcing products requested by clients, managing branded stock programmes, providing e-commerce platforms for internal and external marketing, distributing stock and designing products for consumer promotions based on client requirements.

Since Brand Addition does not manufacture its own product range, it partners with carefully selected suppliers to curate collections that prioritise sustainable materials and reduce environmental impact. The company supports clients through regular range reviews, identifying products with higher environmental footprints and recommending more sustainable alternatives. Whenever possible, a sustainable option is offered, along with an explanation of its environmental benefits to help drive client purchasing decisions.

For specialised requirements, Brand Addition's in-house design team collaborates with clients to create bespoke products prioritising sustainable materials and suppliers committed to minimising environmental impact.

SUSTAINABLE PRODUCT STANDARDS

Brand Addition has its own set of sustainability standards, regularly reviewed and updated as needed, to guide product classification and decision-making. Its standards include a responsible product standard, a sustainable product standard and a sustainable packaging standard. These standards focus on validating sustainable materials, ensuring ethical production standards, outlining best practices for material selection and product manufacturing and providing verification of any green claims.

Brand Addition also develops tailored sustainability guidelines aligned with clients' corporate goals. Recognising that sustainability is a broad and evolving concept and we adapt our approach to meet other organisations' unique needs.

PRODUCT PACKAGING

Brand Addition maintains direct control of the packaging materials used in its warehouse locations for the onward transport of goods purchased by its clients via the web-shops that it manages or ordered directly by clients. When products are distributed from Brand Addition warehouses, it prioritises the reuse of existing packaging wherever possible. If reuse is not feasible, Brand Addition uses its own transit packaging to ensure safe delivery to clients. Packaging materials are continuously evaluated to ensure that they meet strict

sustainability criteria. All materials are sourced locally to minimise transport emissions and appropriately sized packaging is used to minimise waste.

In 2025, 96% of all the packaging purchased by Brand Addition contained recycled content. The business also achieved a 27% reduction in the amount of packaging purchased compared to the previous year, primarily due to a large restocking exercise at Brand Addition's German warehouse in 2024, which reduced the need for additional packaging purchases in 2025.

Overall, single-use plastic consumption increased by 1.9 tonnes in 2025 due to changes in carrier shipping methods that required plastic pallet wrap for a greater proportion of shipments. In 2026, Brand Addition will investigate alternative packaging, shipping methods and materials to minimise future single-use plastic consumption.

WASTE MANAGEMENT

The largest amount of waste generated across the Group comes from Brand Addition's warehouse locations and primarily consists of transit packaging used to transport products from suppliers. The majority of our business waste consists of cardboard and plastic packaging, which is recycled wherever possible. In addition, our offices generate small amounts of paper and food waste from our break areas. We also generate a small amount of WEEE (Waste Electrical and Electronic Equipment) from old computers and electrical equipment during equipment upgrades.

In 2025, 78% of our waste was recycled and 13% was sent for energy recovery, compared to 73% recycled and 16% energy recovery in 2024. Overall, the Group saw a 13% increase in total waste compared to the prior year (167 tonnes in 2024, 188 in 2025), driven by more cardboard packaging received from suppliers and the introduction of wooden pallets in our reporting for 2025. We continue to monitor waste recycling rates and aim to increase the amount of waste recycled and reduce landfill, progressing towards our goal of zero waste to landfill by 2030.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Empowering our people.

We strive to create a safe and inclusive culture where our people can thrive and grow, celebrating individuality and diversity. We promote equal opportunities and a 'speak-up' culture through inclusive systems and processes, aiming to attract and retain top talent by embedding equitable practices across the organisation.

DIVERSITY, EQUITY AND INCLUSION

DEI oversight sits with the Board and is delegated to the Nomination Committee, which annually reviews and approves the DEI Policy and DEI Strategy. We understand that a diverse Board and workforce enhances our ability to respond to challenges and opportunities, supporting long-term growth and sustainability.

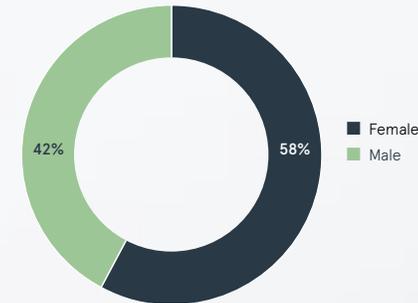
Our DEI Strategy is built around seven key areas: business culture; recruitment; communication; measurement and reporting; reward transparency; training and development; and governance.

A DEI Steering Committee comprising senior leaders and executive sponsors meets twice-yearly to ensure alignment with Group priorities. Each business develops its own DEI action plan, which is reviewed annually, with progress tracked against clear objectives. Rather than setting representation targets, we focus on education and awareness, linking DEI with succession planning to build a diverse talent pipeline. This approach strengthens our inclusive culture, helping us attract and retain talent from all backgrounds and drive innovation and business success.

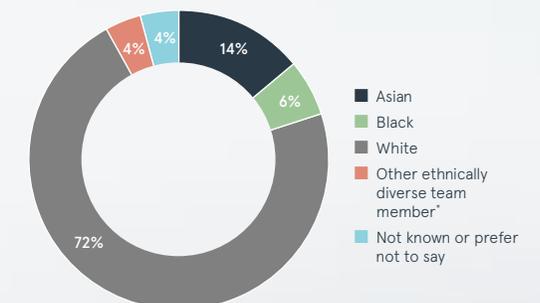
In 2025, we maintained a strong gender balance across the organisation, with 58% of our workforce reported as female. Ethnic diversity remained broadly consistent with the prior year at 24%, up 1% from the prior year. New starter ethnic diversity, however, increased from 27% in 2024 to 37% in 2025. The Group continues to review and refine its recruitment practices to ensure we attract a wide and diverse pool of candidates, supporting the growth of inclusive teams across the Group.

The median gender pay gap narrowed to 5.3%, a 3.6% improvement from the prior year. This was largely driven by a greater reduction in male headcount (-17%) than in female headcount (-13%), helping to narrow the gap. Variations between Brand Addition and Facilisgroup largely offset each other at a Group level.

GENDER SPLIT

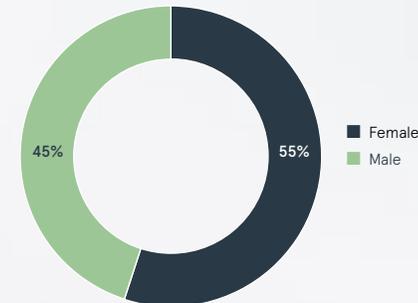


DIVERSITY SPLIT

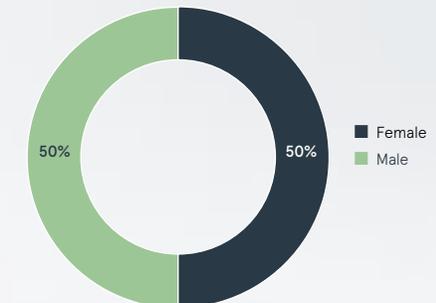


*Other ethnically diverse team member incorporates: Hispanic/Latino, Mixed, Other, Pacific Islander, Native American

GROUPWIDE LEADERSHIP GENDER SPLIT



BOARD GENDER SPLIT



(Operating Boards, their direct reports and senior management)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

HEALTH, SAFETY AND WELL-BEING

The Group has its own health and safety policy that describes its approach and commitment to the health, safety and well-being of all employees. Each business has an appointed health and safety officer who is also a member of the senior leadership team and is responsible for the health, safety and well-being of its employees. Each business has its own health and safety policies, ensuring they remain relevant to their specific operations while capturing the key points of the Group policy.

Health and Safety Committee meetings are held at least annually within each Group business, providing an opportunity to review findings from workplace risk assessments and health and safety walkarounds. The Board receives a health, safety and well-being report at each meeting. In 2025, no reportable accidents or incidents were recorded across the Group.

Employee well-being remains a crucial aspect of health and safety. Across the Group, we take steps to support team members through wellness programmes, training and access to a range of wellness perks to enhance their physical and mental well-being. The wellness programmes provide our team with subsidised access to online fitness classes, gym memberships and mindfulness apps.

In 2025, the Group continued to run annual events to promote the importance of positive mental health and self-care. These included providing tips, suggestions and workshop sessions to help individuals recognise the symptoms of stress and anxiety and to learn how to cope and unwind.

TRAINING AND DEVELOPMENT

In 2025, we delivered 5,832 hours of training content to our team members, a slight decrease (3%) compared to the prior year. Training included targeted sessions on DEI, annual refresher training on key policies and induction training for new starters.

Both businesses have continued to roll out their mentoring programmes, receiving positive feedback from all participants. These initiatives have fostered stronger internal connections and supported personal development across the Group.

Brand Addition successfully implemented a new Learning Management System (LMS), expanding learning opportunities for team members and improving training-hour tracking to monitor progress more effectively.

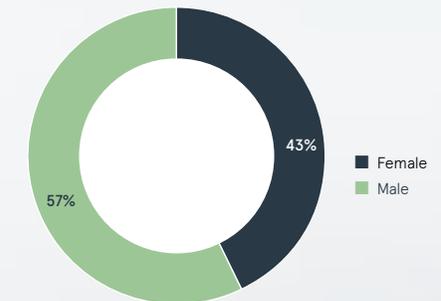
The introduction of a new appraisal process across both businesses has enabled more meaningful conversations between individuals and managers. These discussions have helped to identify training needs and future career aspirations allowing each business to better support team members in achieving their goals, benefitting both the individual and the organisation.

EMPLOYEE ENGAGEMENT

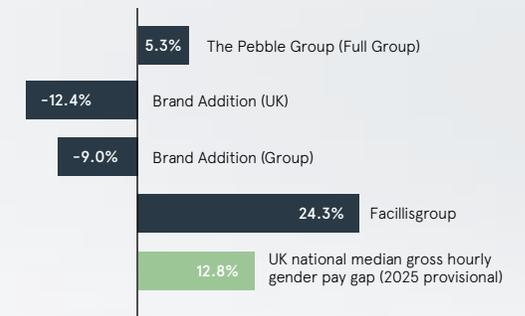
Employee engagement is a key measure of our success. In 2025, our Group employee engagement score rose from 69 to 71, reflecting the positive impact of our initiatives and the commitment of our people. We gather regular feedback through surveys, forums and briefings, ensuring that we listen to our team members and act on their insights. This feedback has informed improvements to our appraisal process, communication channels and recognition programmes.

Our commitment to empowering our people was recognised externally, with Brand Addition being named one of the 'Greatest Companies to Work For' by the PPAI. This accolade is particularly meaningful because it is based on feedback from our own employees, highlighting the strength of our culture and the pride our people take in their work.

GROUP EXECUTIVE COMMITTEE GENDER SPLIT



MEDIAN GENDER PAY GAP



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Community engagement.

VOLUNTEERING IN THE COMMUNITY

In 2025, the Group volunteered 1,714 hours in the community. Employee participation in volunteering rose from 47% in 2024 to 66% in 2025, demonstrating our teams' enthusiasm and commitment. Volunteering activities ranged from supporting local food banks and community shops to participating in environmental clean-up events and educational programmes. These initiatives not only provided practical support to those in need but also fostered a sense of purpose and connection among our employees.

Our partnerships with local charities remain central to our approach. In 2025, we continued to work closely with organisations such as Mustard Tree, which combats poverty and prevents homelessness in Manchester and The Bread and Butter Thing, which redistributes surplus food to low-income families. Our teams regularly volunteered at community shops and food distribution centres, helping to organise stock, pack food parcels and support local families. These partnerships enable us to make a tangible difference in the communities where we operate.

emPOWER

Facilisgroup's emPOWER initiative continued to be successful in 2025. This programme is dedicated to supporting women's personal and professional development within the promotional products industry. emPOWER hosted events and workshops that brought together women across the industry to connect, learn and support one another. At the 2025 Facilisgroup Partner Summit, women gathered to hear from inspiring speakers, share experiences and build networks that will support their growth and success.

THE FACILISGROUP SUPPLIER AND PARTNER COMMUNITY

Facilisgroup's annual Partner Summit, Supplier Showcase and events throughout the year brought together more than 1,100 industry professionals for education, innovation and celebration. These events recognise the importance of industry collaboration and provide opportunities for learning, networking and sharing best practices, strengthening relationships across our distributor network and promoting growth and shared success.

In 2025, Facilisgroup also hosted two top executive events at a Preferred Supplier's headquarters. These events gave attendees the chance to tour the facilities and to collaborate, gain strategic insights and build industry connections. The agenda included insights into industry trends, sales growth strategies, leveraging technology and improving operational efficiencies.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Responsible leadership.

PRODUCT COMPLIANCE

Brand Addition has a dedicated product compliance team that supports purchasing and merchandising departments in developing product testing plans, conducting product risk assessments and evaluating product compliance documentation and test reports to ensure products are fit for purpose. Bespoke products undergo extensive third-party lab testing to verify the absence of hazardous substances and suitability for typical use cases.

For items sourced from wholesalers and distributors, transparency is expected and access to supply chain details and material composition information is required. Test reports, restricted substance declarations and sustainable material certificates are reviewed to ensure products comply with current regulations before approval. For products included in clients' stock ranges, periodic compliance spot checks are performed to maintain adherence to all relevant standards.

The compliance team is active in various forums to stay up to date on regulatory changes, attending webinars, participating in specialised training, subscribing to industry updates and participating in compliance workshops.

The business maintains an extensive product compliance manual to ensure it has up-to-date references for all safety and compliance requirements.

2025 saw the legislative landscape continue to evolve, with the introduction of several new requirements, including the UK Extended Producer Responsibility Regulations (EPR), further guidance from the EU Commission on the Eco-design for Sustainable Products Regulations (ESPR) and changes to the European Deforestation Regulations (EUDR). Brand Addition supported clients in navigating these regulations, ensuring all necessary steps were taken to plan for future implementation.

VENDOR MANAGEMENT

Our robust vendor management programme assesses product suppliers against several criteria, including:

- capability and operational stability;
- employee welfare and working conditions;
- provisions to minimise environmental damage and pollution; and
- quality control processes, on-site testing and controls to ensure product integrity.

Assessments are conducted by our internal audit team, based in Asia and Europe, with each on-site assessment typically lasting one day. Suppliers receive a detailed account of findings and a corrective action plan. All critical findings must be addressed immediately. If sufficient action is not taken, the supplier will be de-listed (if existing) or not approved (if new). All key suppliers are reassessed every two years.

In 2025, 175 product supplier assessments were completed and 95% of our top 100 suppliers by spend returned a signed copy of the business code of conduct, committing to our high ethical and environmental standards, a 7% improvement from the prior year (88% in 2024 vs 95% in 2025). A total of seven critical non-conformances were raised and 11 suppliers were blacklisted.

PRODUCT QUALITY AND SAFETY

All products undergo thorough evaluation to ensure they are ethically compliant, safe and free of defects. They must meet client brand requirements, be fit for purpose and, where possible, be sustainable. In-line and final inspections are conducted on direct-sourced goods before shipment. Final inspection is either undertaken by a third-party or by one of Brand Addition's quality inspectors. For products delivered to the Brand Addition warehouse, incoming quality control checks are conducted to ensure that no products are damaged in transit. Additionally, random inspections are conducted to ensure that products meet the agreed-upon quality standards.

Test results from independent laboratories are reviewed to confirm compliance with required standards. Risk assessments are also conducted on high-value orders to identify and mitigate potential issues before order placement, helping to prevent problems during manufacturing.

IT SECURITY

The Pebble Group recognises the importance of robust information security in maintaining stakeholder trust and supporting the resilience of our operations. In 2025, we continued to strengthen our cybersecurity approach across both Brand Addition and Facilisgroup, embedding best-practice governance and controls to mitigate evolving digital risks.

GOVERNANCE AND CERTIFICATION

Brand Addition maintained its ISO 27001 certification, which covers all global offices and warehouses. This internationally recognised standard underpins our structured approach to managing information security risks and reinforces our commitment to continuous improvement in data protection and operational resilience. In January 2026, Facilisgroup achieved SOC 2 Type 1 certification, with the Type II assessments scheduled for H2 2026. The Group also implemented an Artificial Intelligence Policy to guide its use. The policy sets the Group's overarching rules for the use of AI in the workplace and how it should be adopted by our businesses and our teams, to ensure the Group maximises the benefits of AI while minimising any risks or concerns.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

ESG achievements ratings and standards.

ECOVADIS

Brand Addition improved its Ecovadis score from 80 in 2024 to 83 in 2025 and maintained its gold rating. This placed Brand Addition in the top 5% of similar companies for its sustainability performance. This result reflects progress across the business, further enhancing its sustainability approach and meeting the increasing requirements of its clients.

CARBON DISCLOSURE PROJECT (CDP)

The Pebble Group maintained its 'B' ranking and Brand Addition also maintained its 'C' ranking in the 2025 CDP assessment.

ISO MANAGEMENT SYSTEMS

Brand Addition holds quality (ISO 9001), environmental (ISO 14001), information security management (ISO 27001) and occupational health and safety management (ISO45001) certifications.

ALIGNMENT WITH EXTERNAL FRAMEWORKS

The Group supports the United Nations Sustainable Development Goals and follows the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) to assess Climate-Related Risks and Opportunities (CRROs) that could affect our business.

TRADE ASSOCIATION MEMBERSHIPS

Facilisgroup and Brand Addition are proud members of several trade associations, including the PPAI, based in the US, which supports and delivers knowledge to the promotional products industry.

UNITED NATIONS GLOBAL COMPACT

In 2025, Brand Addition rejoined the United Nations Global Compact. By adhering to its ten principles on human rights, labour, environment and anti-corruption, Brand Addition ensures that sustainability and ethical business practices are embedded across its operations and supply chain.



NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Non-financial and Sustainability Information Statement.

This section of the Strategic Report constitutes the Group's Non-financial and Sustainability Information Statement to comply with the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The TCFD recommendations provide a robust framework for disclosing the CRROs that our Group faces, enabling stakeholders and investors to make informed decisions about our business. Each year, we review and update our disclosures to reflect changes identified through our scenario analysis and feedback from the broader stakeholder group.

As part of our annual internal review process, we revisit the climate scenarios we have selected to ensure they remain current and relevant. No material changes were made to the scenarios or time horizons used for our 2025 assessment.

Our ongoing monitoring and identification of climate-related risks within our Group and sector have not revealed any risks in 2025 that would materially impact the financial performance of the business. Where risks have been identified, their impact remains low, consistent with our previous findings.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Assessing the Group's CRROs is critical for identifying existing and emerging risks, as well as exploiting opportunities arising from the impacts of climate change. The assessment also helps our investors and stakeholders make informed decisions about our business and understand the steps we are taking to mitigate these risks and capitalise on our opportunities.

The process for identifying risks and opportunities involves engagement with both internal and external stakeholders. This includes brainstorming sessions, workshops, external data and feedback from our ESG materiality assessment. We adopt the same approach as our overarching risk management framework, assessing the likelihood and severity of each risk and opportunity.

Categorising risks and opportunities in this manner allows us to prioritise our actions and focus on the highest-scoring risks and opportunities.

CRROs are assessed and updated twice per year as part of the risk management process. The Audit Committee provides oversight of climate-related risks as part of its integrated risk review.

Our assessment did not identify any risks expected to have a material impact on the business. However, we continue to manage all identified risks proactively, implementing measures to minimise potential adverse impacts. The highest scoring risks and opportunities from our assessment are detailed on pages 35 and 36

We recognise the importance of continually developing and evolving our risk management framework and we will ensure that the scenarios used to quantify risk factors remain current and evolve to represent the changing ESG landscape.



NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Scenario planning.

The table below outlines the three climate-related scenarios we have used to assess the resilience of our business and sustainability strategy. These scenarios help us determine the potential transitional and physical impacts, as well as opportunities that may affect the Group. These scenarios have been developed based on publicly available data from the Intergovernmental Panel on Climate Change (IPCC) SR15 report and the Bank of England's 'Key Elements of the 2021 Biennial Exploratory Scenario: Financial Risks from Climate Change'

SCENARIO A	SCENARIO B	SCENARIO C
EARLY AND ORDERLY ACTION (NO GREATER THAN 2°C RISE)	LATE AND DISORDERLY ACTION (NO GREATER THAN 2°C RISE)	NO CHANGE TO CURRENT SITUATION (GREATER THAN 3°C RISE)
<ul style="list-style-type: none"> • Early committed action by society to reduce global emissions. • Co-ordinated policies and legislation immediately implemented towards a low-carbon economy, intensifying over time. • Action taken is sufficient to limit global warming to less than 2°C in line with the Paris Agreement. 	<ul style="list-style-type: none"> • Delays in implementing policy needed to reduce global emissions. • Sudden and disorderly policy changes to compensate for a late start to transitioning to a low-carbon economy. • Global warming is limited to 2°C in line with the Paris Agreement, but the transition starts much later. 	<ul style="list-style-type: none"> • Governments fail to introduce additional policies to address climate change, resulting in ambitions falling behind Paris Agreement targets. • Global temperatures increase above 3°C.
GROUP TRANSITION RISKS		
<ul style="list-style-type: none"> • Increasing levels of demand for sustainable products. • Clients focus on high-quality goods rather than low-cost items. • Increasing pressure from stakeholders for businesses to demonstrate tangible steps towards reducing carbon emissions and minimising environmental impact. • Increasing regulations, frameworks and reporting requirements for businesses. • Businesses require increased levels of transparency and disclosures to avoid greenwashing. • Increasing costs related to energy and carbon offsets as more businesses look to meet net-zero commitments. 	<ul style="list-style-type: none"> • Reduced short-term action and lessened pressure on businesses to switch to sustainable products. • Rapid cost increases due to fast sweeping changes related to energy transportation and the use of non-environmentally friendly materials. • Reduced demand for promotional products and services as clients look for more cost-effective ways to promote their brand when policy changes are introduced. • Significant and rapid changes to regulations are opening up businesses to litigation risks and shareholder dissatisfaction. 	<ul style="list-style-type: none"> • Regulations stagnate around the environment and climate change. • Demand for sustainable products plateaus as clients switch back to lower-cost non-sustainable materials, adding to problems with biodiversity, waste and pollution. • Energy costs start to increase as fossil fuels become less readily available.
GROUP PHYSICAL RISKS		
<ul style="list-style-type: none"> • Slow rise in the number of extreme weather events causing minor disruption to transport routes or production. • Damage to biodiversity and crops makes manufacturing more difficult, resulting in production shortfalls and/or price increases. 	<ul style="list-style-type: none"> • Rapid acceleration in the number of extreme weather events occurring, leading to production and travel disruption. • Increasing volatility in the cost of raw materials and a lack of availability for certain products. • Increased client frustration due to missed delivery dates and stock availability. 	<ul style="list-style-type: none"> • Severe impacts from extreme weather events causing unpredictability in transport routes and production. • Shortages of raw materials, huge price increases and volatility are making certain products no longer viable. • Instability in global markets and countries as economies suffer from prolonged extreme weather events. • Political and social unrest.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Highest scoring climate-related risks and opportunities.

The table below details the highest-scoring risk categories identified in our CRROs assessment, along with a summary of the mitigating actions. All risks are evaluated against each climate-related scenario and across three time frames: short-term (1 year); mid-term (2-5 years); and long-term (6-10 years). These timeframes were chosen to allow the Group to assess and address immediate, near-term and long-term challenges. The selected periods ensure the focus remains on actionable, tangible steps without looking too far ahead.

RISK TYPE AND RATIONALE FOR INCLUSION	SUMMARY OF MITIGATING ACTIONS	RISK TYPE AND RATIONALE FOR INCLUSION	SUMMARY OF MITIGATING ACTIONS
TRANSITIONAL RISKS (MARKET)		PHYSICAL RISKS (ACUTE)	
<ul style="list-style-type: none"> • Changes in client behaviour and shifts in preferences and expectations (<i>scenario A, short to long-term</i>). <ul style="list-style-type: none"> – Demand may decrease for promotional products. – Clients may seek alternative methods to promote their brand. • Market uncertainty and increased cost of raw materials (<i>scenario A, mid to long-term</i>). <ul style="list-style-type: none"> – Availability and increasing costs of raw materials may result in increases in the cost of goods and delays to delivery. – Clients may be more reluctant to place orders due to market forces. 	<ul style="list-style-type: none"> • Clear ESG strategy and action plan to meet the changing needs of stakeholders. • Sustainability team supporting the transition to a low-carbon economy. • Close working relationships with clients to ensure alignment with future sustainability needs. • Creative services and account management teams work with clients to find innovative products to meet budget needs and to help mitigate raw material cost increases. • The Group's suppliers span several geographic regions and the Group can divert supply across its infrastructure to help combat delays. 	<ul style="list-style-type: none"> • Increased severity of extreme weather events, such as cyclones, hurricanes, flooding, drought and wildfires (<i>all scenarios, mid to long-term</i>). <ul style="list-style-type: none"> – An increased risk of delays to deliveries, increases in material lead-times and volatility in production and product costs due to the effects of adverse weather. 	<ul style="list-style-type: none"> • Location planning is built into product sourcing and manufacturing to mitigate against the risk of disruption due to extreme weather events. • Robust supply chain with second source alternatives to quickly adapt to changes.

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

RISK TYPE AND RATIONALE FOR INCLUSION	SUMMARY OF MITIGATING ACTIONS	RISK TYPE AND RATIONALE FOR INCLUSION	SUMMARY OF MITIGATING ACTIONS
TRANSITIONAL RISKS (POLICY, LEGAL, REPUTATIONAL)		OPPORTUNITIES	
<ul style="list-style-type: none"> • Mandates and additional regulations (<i>scenario A, short to long-term</i>). <ul style="list-style-type: none"> – An increased risk of reputational damage, litigation and client dissatisfaction if products and services do not meet new mandatory requirements. 	<ul style="list-style-type: none"> • Senior ESG Officer and dedicated quality and product compliance team to successfully navigate new and evolving mandates and regulations. • Mature processes and management systems that are third-party audited to demonstrate a best practice approach, minimising the risk of non-conformity. 	<ul style="list-style-type: none"> • Product sustainability. <ul style="list-style-type: none"> – A growing demand for sustainable products could lead to business growth and new opportunities as the Group supports clients to make informed decisions about the products they source, providing transparency and claims validation. 	<ul style="list-style-type: none"> • Providing innovative products and solutions to meet the sustainability needs of clients through a validated supply chain. • Supporting clients with leading advice and expertise to navigate regulation changes and develop future product ranges or bespoke products made from sustainable materials to meet their growing business needs.
<ul style="list-style-type: none"> • Increased stakeholder concern or negative stakeholder feedback (<i>scenario A, mid to long-term</i>). <ul style="list-style-type: none"> – Failure to meet growing sustainability demands from stakeholders may lead to disinterest, hindering the Group's ability to attract and retain clients and investors. 	<ul style="list-style-type: none"> • Regular and ongoing stakeholder engagement ensures alignment with the needs and expectations of all stakeholder groups. • Evaluation and certification to recognised standards and ratings such as Ecovadis, CDP, ISO9001 and ISO14001 to demonstrate a best practice approach. 	<ul style="list-style-type: none"> • Changing client behaviour and shifts in client preference. <ul style="list-style-type: none"> – As clients and Partners become more aware of the impacts of climate change, there will be a shift to ensure that they are partnered with the right business to deliver on their sustainability goals. – As the regulatory landscape becomes more complex, clients and Partners are looking to work with businesses that can demonstrate a robust approach and support them in additional reporting and compliance requirements. – Businesses that can demonstrate a robust ESG strategy could result in increased demand and new business wins. 	<ul style="list-style-type: none"> • Having a clear ESG and sustainability strategy aligned with stakeholders helps retain existing clients and attract new business opportunities, as clients seek partners who can support their evolving needs. • Senior ESG Officer and dedicated quality and product compliance team to successfully navigate new and evolving mandates and regulations. • Client and Partner support to navigate the changing legislative landscape, providing expert advice and guidance.

TCFD DISCLOSURE TABLE

RECOMMENDATION	RESPONSE	DISCLOSURE LOCATION	RECOMMENDATION	RESPONSE	DISCLOSURE LOCATION	
GOVERNANCE			STRATEGY			
a) Describe the Board's oversight of climate-related risks and opportunities.	The Board has overall responsibility for ESG and oversees the ESG strategy and actions related to the CRROs identified by the Group.	 Page 60	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long-term.	The CRRO's assessment has identified a number of physical and transitional risks; however, none are considered significant or likely to have a material financial impact on the business. Where risks have been identified, proactive steps are already being taken as part of the ESG strategy and continual improvement activities.	 Pages 35 and 36	
	The Board reviews progress against the ESG strategy at each six-monthly strategy review meeting. The Board is supported by the Audit Committee, which oversees the TCFD CRRO assessment as part of its integrated risk review.			Transitional risks are likely to have the greatest impact on the business as we transition to a low-carbon future. However, this also presents an opportunity, as we are well-positioned to support our clients by developing more sustainable products that align with their growing sustainability needs.		
b) Describe management's role in assessing and managing climate-related risks and opportunities.	The Senior ESG Officer reports to the Board at least annually on progress against the ESG strategy and goals and provides specific updates on environmental performance, including any CRROs.		b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	Through our ESG efforts and the steps we are taking to 'Advance Sustainability,' we see an opportunity to strengthen our business. Our ESG strategy commits us to taking positive action on climate change. By having a robust strategy, we strive to differentiate our business from competitors and support our clients in the transition to a low-carbon economy.		
	ESG is a standing agenda item at the Group Executive Committee meetings.			b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	The impacts of any CRROs identified by the Group are detailed in the Risk Management section of this Annual Report. Additionally, the scenario planning table outlines all the possible risks associated with each scenario and their potential impact on the Group.	 Pages 34, 35 and 52
	The Senior ESG Officer is responsible for developing and executing the ESG strategy, including assessing any CRROs identified by the Group.	 Page 60			At present, none of the CRROs has led to any material changes to the business strategy or financial planning. However, the assessment results help shape our sustainability roadmap, ensuring we continue to address our key risks and opportunities. The Group's ESG strategy is reviewed and approved annually by the Board to ensure that any CRROs are proactively addressed.	
	The Senior ESG Officer holds meetings with the Divisional Leads of each business every two months to review operational progress in relation to agreed ESG objectives, including any CRROs.		c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Our sustainability approach and strong stakeholder relationships help build resilience against climate-related impacts. By focusing on sustainability, we can maintain market share and supplier relationships, ensuring continuity of supply. Embedding quality and sustainability processes across the Group ensures vigilance, adherence to best practices, robust product compliance and ethical sourcing.	 Pages 34, 35 and 47	
	The Operating Boards of Facilisgroup and Brand Addition meet regularly and each maintains its own risk register, including any CRROs. The risk registers are reconciled against the Group's risk register twice per year in advance of the Audit Committee's review.			The CRROs are assessed at least every six months against climate-related scenarios. This proactive evaluation helps implement actions and build resilience, ensuring the Group's strategy and goals adapt to any changes.		

TCFD DISCLOSURE TABLE

RECOMMENDATION	RESPONSE	DISCLOSURE LOCATION	RECOMMENDATION	RESPONSE	DISCLOSURE LOCATION
RISK MANAGEMENT			METRICS AND TARGETS		
a) Describe the organisation's processes for identifying and assessing climate-related risks.	<p>Climate-related risks are identified using several methods. These range from using publicly available data to help develop an understanding of the climate-related risks the business may face to internal brainstorming exercises and stakeholder engagement and discussion. Risks are also raised through internal discussion, individual business risk registers, the Group risk register or the Group Executive Committee.</p> <p>Each identified risk is reviewed against three climate-related scenarios and timescales to assess its likelihood and impact on the business, ensuring priority is given to the highest risk. The Senior ESG Officer leads the assessment with support from the Group Financial Controller and the Managing Directors of Facilisgroup and Brand Addition.</p>	 Pages 33 and 34	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>The Group tracks carbon emissions, energy consumption, carbon intensity per £m of revenue and the percentage of renewable electricity used across the business. These metrics support the assessment of climate-related risks and opportunities. Tracking carbon emissions and energy consumption helps identify key areas where the Group can reduce its environmental impact, thereby mitigating risks such as regulatory changes, reputational damage or the impact of certain products or supply routes. Carbon intensity provides an insight into overall business efficiencies, while maintaining 100% renewable electricity underscores our commitment to minimising the direct impact of our operations. Additionally, Executive Directors' bonus targets include ESG criteria to ensure continued focus on relevant ESG issues, reinforcing the importance of driving positive environmental outcomes and managing associated risks.</p>	 Pages 22, 24 and 77
b) Describe the organisation's processes for managing climate-related risks.	<p>Emerging and identified risks are continually monitored and managed through the Group's risk management framework, described in the Risk Management section of this Annual Report. All risks are prioritised and assigned an owner responsible for their management and implementation.</p> <p>Risk reviews are undertaken biannually with each Group business and any changes or updates are discussed and reflected in the Group risk register. The Audit Committee formally reviews and approves the Group risk register twice-yearly.</p>	 Page 47	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	<p>The GHG emissions table includes the inventory of all relevant Scope 1, Scope 2 and Scope 3 emissions.</p> <p>There are no inherent risks related to Scope 1 and Scope 2 emissions. Gathering data on Scope 3 emissions remains challenging due to a lack of granular data from suppliers. The Group remains committed to improving data accuracy and to strengthening value chain engagement to enhance data quality and supplier commitment.</p>	 Pages 25 and 26
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management framework.	<p>The Group's risk register identifies climate change as a key risk. It also includes a sub-register dedicated to this risk, ensuring that all climate-related risks and opportunities are effectively identified, assessed and managed. This approach fully integrates them into the overall risk management framework.</p>	 Pages 47 to 52	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> • Maintain 63% reduction in Scope 1 and Scope 2 emissions until 2035 and 90% reduction by 2050, from a 2021 base year. • Strive for a 66% reduction in Scope 3 emissions per £m revenue by 2035 and 97% reduction by 2050, from a 2021 base year. • Maintain 100% renewable electricity across the Group. • Performance against these targets is shown in the GHG emissions table. 	 Pages 22, 25 and 26

KEY PERFORMANCE INDICATORS

Measuring what matters.

GROUP

REVENUE

£124.7m

-0.5%

25	£124.7m
24	£125.3m

Why we measure it

Monitoring year-on-year revenue growth indicates progress against both short-term plans and long-term strategy.

Comment

The slight decrease in revenue in FY 25 reflects a challenging macroeconomic environment in 2025, but a return to growth in H2 25 in Brand Addition. Facilisgroup revenue, whilst ahead in home currency (USD), was behind in GBP due to the impact of currency translation.

Client retention at Brand Addition and Partner retention at Facilisgroup remain excellent.

GROSS PROFIT

£56.9m

+2.5%

25	£56.9m
24	£55.5m

Why we measure it

Gross profit shows how much profit is generated from core trading after direct costs, indicating the efficiency of the Group's pricing and cost of sales.

Comment

The increase in gross profit reflects improved gross profit margins in the Brand Addition business, driven by our client mix and successfully implemented pricing initiatives.

ADJUSTED EBITDA¹

£15.8m

-5.4%

25	£15.8m
24	£16.7m

Why we measure it

Adjusted EBITDA trends indicate progress against both short-term plans and long-term strategy. Management believes this adjusted measure is most relevant for understanding the business's underlying trading performance.

Comment

The decrease in Adjusted EBITDA reflects improved gross profit margins in the Brand Addition business, driven by client mix and successfully implemented pricing initiatives offset by increased investment in Facilisgroup operating costs to drive revenue growth.

FREE CASH FLOW CONVERSION²

91%

+23ppt

25	91%
24	68%

Why we measure it

This measure shows how effectively the Group turns its operating profit into cash, highlighting the quality and sustainability of earnings and strength of underlying cash generation.

Comment

The increase in free cash flow conversion is driven by disciplined cost and working capital management and a reduction in capital expenditure, primarily in the Facilisgroup business.

CAPITAL RETURNS³

£11.7m

+£8.3m

25	£11.7m
24	£3.4m

Why we measure it

This measure is used to demonstrate the Group's commitment to shareholder value and to provide transparency over capital allocation decisions.

Comment

The increase in total capital returns reflects incremental dividends of £1.0m, incremental share buybacks of £0.8m and a tender offer transaction of £6.5m.

1. Adjusted EBITDA is defined as operating profit adjusted to add back depreciation, amortisation and share-based payment charge/credit.

2. Free cash flow conversion is calculated as free cash flow (defined as Adjusted EBITDA less movements in working capital, capital expenditure and lease payments) divided by adjusted operating profit.

3. Capital returns is the aggregate value of cash distributions made to shareholders in the year, comprising dividends, share buybacks and tender offer transactions, excluding transaction costs.

KEY PERFORMANCE INDICATORS

GROUP COMPANIES

Facilisgroup

High visibility of recurring revenues and excellent Partner retention levels

REVENUES \$'M

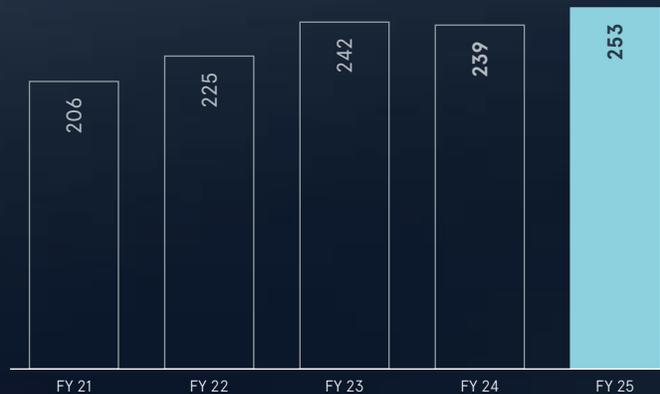
**Why we measure it**

Tracking Facilisgroup revenues in the home currency (USD) demonstrates the business's ability to grow and retain income from its Partners and Preferred Suppliers through the technology and services it provides, excluding the impact of currency translation.

Comment

Revenues increased by 2% in USD in FY 25, driven by growth in GMV. Recurring revenues account for 96% of Facilisgroup's revenues in FY 25 (FY 24: 96%).

PARTNER NUMBERS



(excluding acquired Partners)

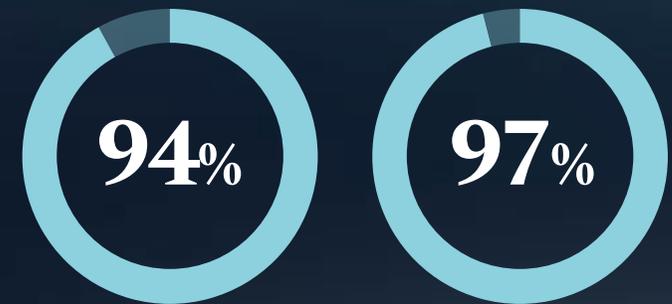
Why we measure it

Responsibly increasing Partner numbers whilst maintaining Partner quality is key to delivering the Facilisgroup strategy. The engagement of existing Partners and the pipeline of potential new Partners are tracked monthly to demonstrate progress against this target.

Comment

Partner numbers at 31 December 2025 were 253, up from 239 at 31 December 2024. This included 30 new quality Partner wins, with 8 Partners acquired by other businesses and an underlying churn of 8.

PARTNER RETENTION RATE %



(excluding acquired Partners)

Why we measure it

Understanding attrition and its drivers is key to our Partner growth strategy. We focus on maximising retention of existing Partners and growing through new Partner wins. Monitoring attrition, excluding Partners acquired by other businesses, is important for identifying underlying attrition levels.

Comment

8 Partners were acquired by other businesses during the year (FY 24: 10). Excluding acquisitions, the retention rate remains excellent at 97% (FY 24: 96%), which management considers key to Facilisgroup's success.

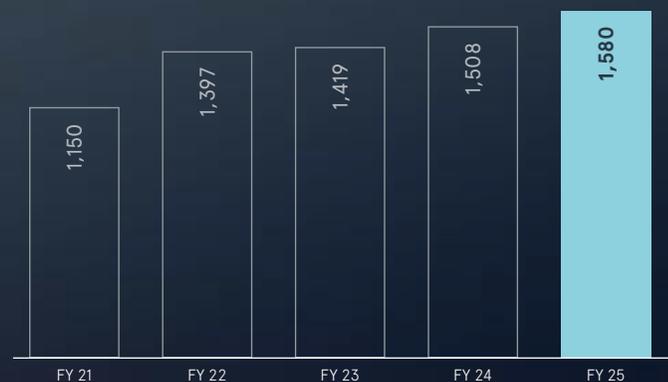
KEY PERFORMANCE INDICATORS

GROUP COMPANIES

Facilisgroup

Partner activity – High-quality Partners and long-term relationships

GROSS MERCHANDISE VALUE \$'M

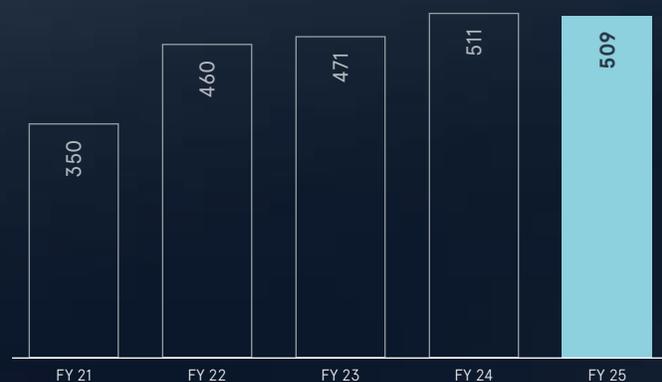
**Why we measure it**

Tracking the value of sales processed through our technology (GMV) sets the pricing of our services for Partners. It enables the Group to monitor growth in like-for-like Partner sales and total distributor sales relative to the market.

Comment

The sales activity of our Partners resulted in \$1,580m in GMV, up 5% from FY 24, driven largely by new Partners.

PREFERRED SUPPLIER PURCHASES \$'M

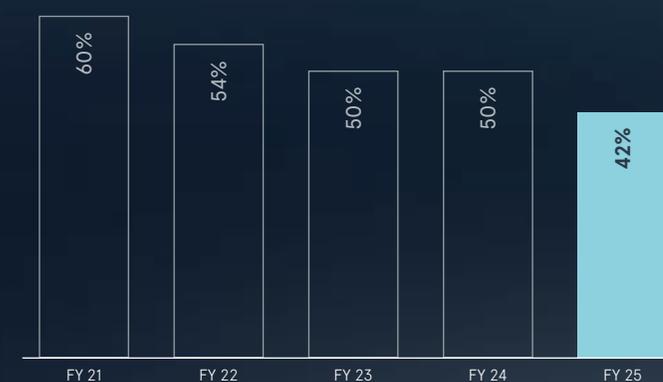
**Why we measure it**

Consolidating Partner spend through a high-quality supply base that provides excellent service, favourable pricing and rebates for our Partners generates revenue for Facilisgroup. The level of spend with Preferred Suppliers is tracked monthly to demonstrate progress against this target.

Comment

Spend through Preferred Suppliers remained flat at \$509m, reflecting changes in purchasing behaviour influenced by uncertainty around US tariffs.

EBITDA MARGIN %

**Why we measure it**

EBITDA margin provides a view of the profitability of the Company's operations after operating costs and allows the Group to assess its operating efficiency and scalability. It also demonstrates the Group's capacity to reinvest for growth while delivering sustainable returns.

Comment

The decrease in EBITDA margin to 42.4% (FY 24: 50.0%) reflects the increased investment in Facilisgroup operating costs to drive future revenue growth.

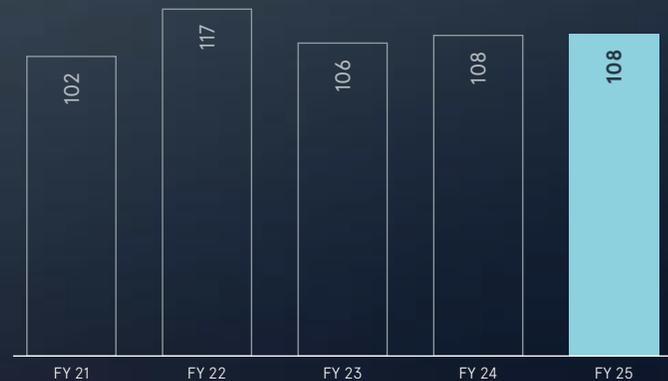
KEY PERFORMANCE INDICATORS

GROUP COMPANIES

Brand Addition

Revenue and margin analysis – Win, Grow, Retain, Repeat

REVENUE £'M

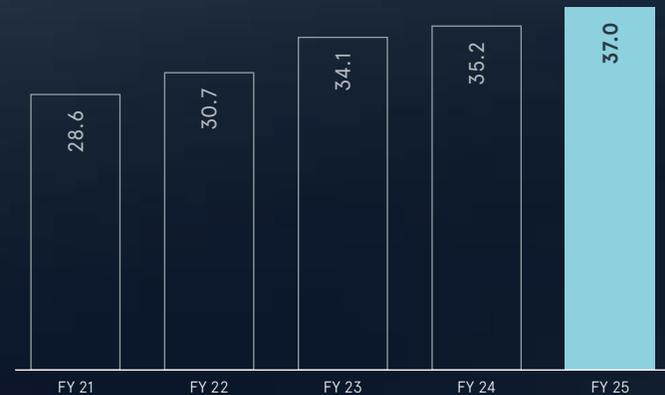
**Why we measure it**

Tracking revenue trends is key to understanding how Brand Addition is performing against its strategic goals.

Comment

Revenue remained flat reflecting a decrease in spend from existing clients, offset by spend from new clients. Client retention has remained strong.

GROSS PROFIT MARGIN %

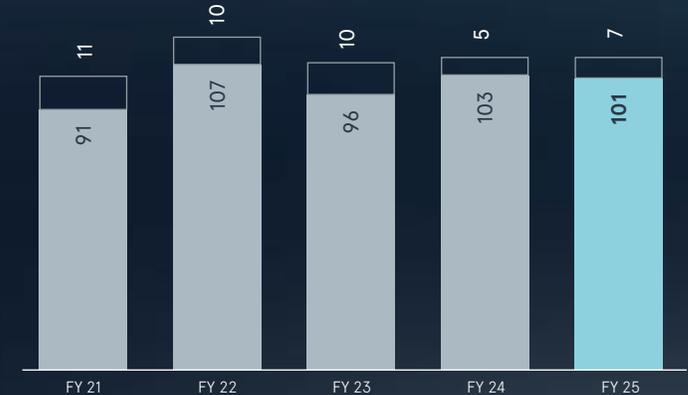
**Why we measure it**

Growth in gross profit percentage indicates an improvement in the quality of our earnings.

Comment

The increase in gross profit percentage reflects a combination of client mix and implemented pricing initiatives to support the costs of additional services being delivered to our clients.

REVENUE BY EXISTING AND NEW CLIENTS £'M

**Why we measure it**

Brand Addition has excellent levels of client retention. Retaining and growing existing clients, while successfully implementing new business, is fundamental to its growth strategy.

Comment

Revenue from existing clients has decreased by £2m in FY 25, driven by reduced spend in the Automotive and Technology sector clients. New business is ahead of previous years, reflecting positive new client wins during the year.

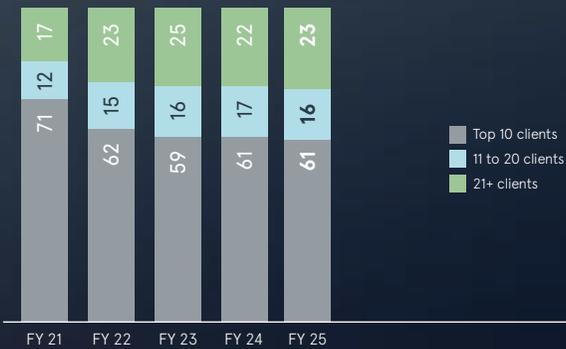
KEY PERFORMANCE INDICATORS

GROUP COMPANIES

Brand Addition

Revenue diversity – Strong sectors across multiple geographies

REVENUE BY CLIENT CONCENTRATION %



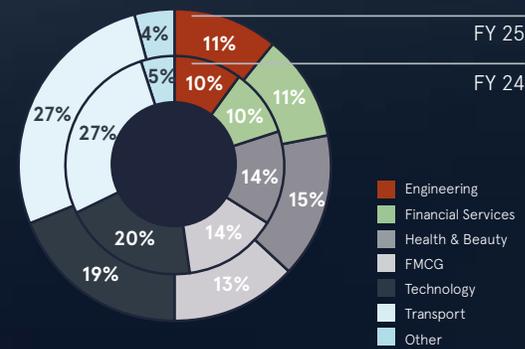
Why we measure it

Brand Addition tracks revenue by client concentration, as the success of larger clients is central to executing our strategy of *Win, Grow, Retain, Repeat*. We also recognise the importance of not being overly reliant on a small number of clients.

Comment

The top 10 clients contributed 61% of total revenue in FY 25 (FY 24: 61%), with no one client contributing more than 13% of revenue.

REVENUE BY CLIENT SECTOR %



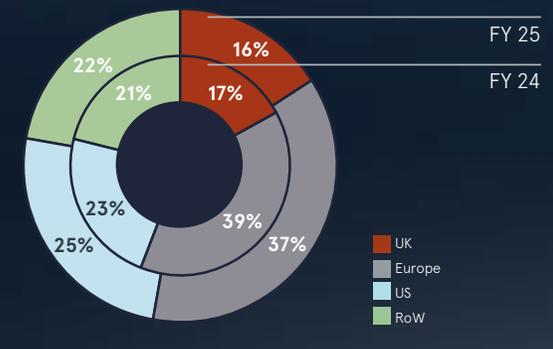
Why we measure it

Brand Addition works with clients across a wide range of sectors. This level of diversity provides some protection against economic factors which may impact specific sectors.

Comment

There remains strong diversity across all sectors, with slight growth in financial services and health & beauty, offset by a slight decrease in technology and FMCG clients.

REVENUE BY DESTINATION %



Why we measure it

Brand Addition has a global client base and is well diversified worldwide, providing resilience to market conditions that could affect specific geographies.

Comment

Revenue to North America increased relative to FY 24, driven by both growth in existing clients and new client wins in the region. The geographical mix continues to be well diversified.

CHIEF FINANCIAL OFFICER'S REVIEW

Establishing our foundations for growth.

OVERVIEW

Group revenue of £124.7m (FY 24: £125.3m) was in line with prior year and Adjusted EBITDA of £15.8m (FY 24: £16.7m) was 5% behind following the signalled investment to accelerate new Partner acquisition at Facilisgroup. Operating profit was £7.4m (FY 24: £8.6m). The Board is pleased to propose the payment of a final dividend of 2.0 pence per share for FY 25 (FY 24: 1.85 pence per share). This will be payable on 11 May 2026 subject to shareholder approval.

The Group's balance sheet remains strong and its liquidity position continues to be robust with cash balances of £7.4m at 16 March 2026 and no amounts drawn down on the Company's £10.0m committed revolving credit facility

	FY 25 £'m	FY 24 £'m
Revenue	124.7	125.3
Gross profit	56.9	55.5
Gross profit margin	45.6%	44.3%
Adjusted EBITDA	15.8	16.7
Depreciation and amortisation	(8.1)	(8.6)
Share-based payment (charge)/credit	(0.3)	0.5
Operating profit	7.4	8.6
Net finance costs	(0.5)	(0.5)
Profit before tax	6.9	8.1
Tax	(1.5)	(1.7)
Profit for the year	5.4	6.4
Weighted average number of shares	156,079,283	166,216,248
Basic adjusted EPS	3.86p	4.63p
Basic EPS	3.45p	3.83p

“The Group’s balance sheet remains strong and its liquidity position continues to be robust”

Claire Thomson

Chief Financial Officer



CHIEF FINANCIAL OFFICER'S REVIEW

REVENUE

Group revenue for FY 25 was £124.7m (FY 24: £125.3m). Facilisgroup revenue was £17.2m (FY 24: £17.6m), reflecting a 2% decline in GBP but a 1% increase on a constant currency basis. The slight increase was derived from incremental fees from our Preferred Suppliers; ARR from Partner subscriptions was flat in the year reflecting reduced Partner numbers entering FY 25. The in-year build of subscriptions from new Partner acquisition lagged the impact of Partner churn. Revenue in Brand Addition was £107.5m (FY 24: £107.7m) as revenue from new clients offset softening in some existing client spend.

GROSS PROFIT

Following the improvements made in FY 24, gross profit as a percentage of revenue increased further during FY 25 by 1.3ppt to 45.6% as the value of the complex services Brand Addition delivers to its clients continued to translate into improved margins.

ADJUSTED EBITDA

Adjusted EBITDA for FY 25 was £15.8m (FY 24: £16.7m) made up as follows:

- Facilisgroup at £7.3m (FY 24: £8.8m) principally reflects the planned investment in sales and business leadership to accelerate revenue growth. From this investment we are experiencing a significant improvement in net new Partner wins that we expect to benefit revenues in FY 26 and beyond;
- Brand Addition at £11.4m (FY 24: £10.8m) as costs remain well controlled and continued improvements in gross profit margins translated to Adjusted EBITDA; and
- Central costs of £2.9m (FY 24: £2.9m).

DEPRECIATION AND AMORTISATION

The total charge in the year was £8.1m (FY 24: £8.6m), of which £6.0m (FY 24: £6.3m) related to the amortisation of intangible assets. The amortisation of intangible assets in FY 24 included £0.9m in respect of acquired intangible software assets that were fully amortised in FY 24 and therefore has no corresponding charge in FY 25. The increase in the underlying expense from FY 24 arises as the increased investment in new software products from prior years is now being charged to the income statement.

SHARE-BASED PAYMENTS

The total charge for the year under IFRS 2 "Share-based payment" was £0.3m (FY 24: credit of £0.5m) and relates to the 2024 and 2025 awards made under The Pebble Group Long Term Incentive Plan (LTIP) and Sharesave Plan. The charge in FY 25 includes a credit of £0.3m to reflect that no equity instruments are expected to vest under the performance conditions of the 2024 LTIP award. More details of the performance conditions are provided in the Director's Remuneration report.

OPERATING PROFIT

Operating profit for the year was £7.4m (FY 24: £8.6m) reflecting the movements in Adjusted EBITDA and share-based payments discussed above.

FINANCE COSTS

Net costs in the year of £0.5m (FY 24: £0.5m) include £0.3m interest costs on leases capitalised in accordance with IFRS 16 "Leases" (FY 24: £0.4m) and £0.2m of other interest including amounts in relation to the Group's £10.0m committed RCF facility (FY 24: £0.1m).

TAXATION

The total tax charge for the year was £1.5m (FY 24: £1.7m) resulting in a reported effective tax rate of 21.8% (FY 24: 21.2%).

The effective rate of tax was lower than the UK standard rate of 25% due principally to relief that the Group is eligible to claim in the USA for qualifying research and development costs incurred by Facilisgroup. In addition, the net prior year current tax and deferred tax adjustment also reduced the overall effective rate of tax. These adjustments relate to tax accrual to tax return adjustments and the acceleration of tax relief on capital expenditure.

As a group with worldwide operations, The Pebble Group plc is subject to several factors that may affect future tax charges, principally the levels and mix of profitability in different jurisdictions, transfer pricing regulations, tax rates imposed and tax regime reforms. The Group is subject to income taxes in the UK, Ireland, Germany, Turkey, USA, Canada, China and Hong Kong.

EARNINGS PER SHARE

The earnings per share analysis in note 10 covers both adjusted earnings per share (profit attributable to equity shareholders before amortisation of acquired intangibles and share-based payment charge/credit net of taxation divided by the weighted average number of shares in issue during the year), and basic earnings per share (profit attributable to equity shareholders divided by the weighted average number of shares in issue during the year). Adjusted earnings were £6.0m (FY 24: £7.7m), meaning basic adjusted earnings per share was 3.86 pence per share (FY 24: 4.63 pence per share), a decrease of 0.77 pence per share. Basic earnings per share was 3.45 pence per share (FY 24: 3.83 pence per share), a decrease of 0.38 pence per share.

DIVIDENDS

The Board is proposing the payment of a final dividend of 2.0 pence per share (FY 24: 1.85 pence per share), a distribution totalling £3.0m. This will be paid on 11 May 2026, subject to shareholder approval, to those shareholders on the register of members on 17 April 2026. The shares will trade ex-dividend on 16 April 2026.

CASH FLOW

The Group had a cash balance of £9.6m at 31 December 2025 (2024: £16.5m). This was after cash distributions to shareholders of £11.7m (FY 24: £3.4m), excluding transaction costs, and purchases of shares by The Pebble Group Employee Benefit Trust of £0.6m (FY24: £0.1m).

Cash flow for the year is set out below:

	FY 25 £'m	FY 24 £'m
Adjusted EBITDA	15.8	16.7
Movement in working capital	(1.7)	(1.2)
Capital expenditure	(4.9)	(6.8)
Leases – capital	(1.7)	(1.7)
Operating cash flow	7.5	7.0
Free cash flow conversion %	91%	68%
Tax paid	(0.8)	(2.7)
Net finance cash flows	(0.4)	(0.4)
Dividends paid	(3.0)	(2.0)
EBT purchase of own shares	(0.6)	(0.1)
Acquisition of own shares	(9.0)	(1.4)
Exchange (loss)/gain	(0.6)	0.2
Net cash flow	(6.9)	0.6

CHIEF FINANCIAL OFFICER'S REVIEW

OPERATING CASH FLOW

Operating cash flow before tax payments and financing activities increased by £0.5m in the year to £7.5m. This increase is net of a £1.7m investment in working capital and a £1.9m reduction in capital expenditure following the Group's signalled reduction in the level of investment in new product development at Facilisgroup.

Free cash flow conversion is an important metric for the Group. Its increase in the year to 91% (FY 24: 68%) demonstrates the ongoing strength of the cash-generative qualities of our businesses and provides us with further options around capital allocation.

BALANCE SHEET AND SHAREHOLDERS' FUNDS

Net assets decreased in the year by £9.2m. The balance sheet is summarised below:

	FY 25 £'m	FY 24 £'m
Non-current assets	64.2	69.2
Working capital	15.4	14.2
Cash	9.6	16.5
Lease liabilities	(5.2)	(6.9)
Other net liabilities	(1.8)	(1.6)
Net assets	82.2	91.4

NON-CURRENT ASSETS

Non-current assets are the most significant balance sheet category and comprise the following:

	FY 25 £'m	FY 24 £'m
Goodwill	35.8	36.0
Customer relationships	6.6	7.6
Software development costs	16.3	18.2
Property, plant & equipment	5.5	7.1
Deferred tax assets	-	0.3
Non-current assets	64.2	69.2

Amounts classified as goodwill and customer relationships relate to historic acquisitions made by the Group.

Software development costs, which include £4.5m (FY 24: £6.5m) spend in the year on technology products, relate to ongoing investment in the Group's proprietary software and in particular, the Facilisgroup software platform to ensure our technology remains market leading, differentiated from the competition and continues to evolve to support our medium-term growth plans.

The costs are capitalised in accordance with IAS 38 "Intangible Assets" and, once the product is released to market, amortised over the period the Group expects to benefit from its development. The amortisation period is typically three years.

Property, Plant and Equipment primarily comprises the costs of Right-of-Use assets capitalised in accordance with IFRS 16.

WORKING CAPITAL

Working capital of £15.4m is £1.2m higher than FY 24 which relates to the weighting of sales in Q4 25 when compared with the previous year.

LEASE LIABILITIES

Lease liabilities of £5.2m (FY 24: £6.9m) principally relate to Group properties capitalised in accordance with IFRS 16. The reduction in the year reflects payments made under the lease agreements.

OTHER NET LIABILITIES

Other net liabilities of £1.8m (FY 24: £1.6m) are net tax liabilities of which £2.6m (FY 24: £1.6m) is deferred tax. £1.5m of the deferred tax liability (FY 24: £1.4m) relates to acquired customer relationships. These liabilities will reverse over the period that the assets are amortised.

ALTERNATIVE PERFORMANCE MEASURES (APMS)

Throughout this report, the Group has used a number of APMS as key performance indicators in addition to those reported under IFRS. These are used to provide additional clarity to the Group's underlying financial performance and are used internally by management to monitor business performance, in its budgeting and forecasting and also for determination of Directors' and senior management remuneration. These APMS are not defined under IFRS and, therefore, may not be directly comparable with adjusted measures presented by other companies. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance. However, they are considered by management to be important measures used in the

business for assessing performance. They have been consistently applied in all years presented.

The following are key non-GAAP measures identified by the Group and used in the Financial Statements.

Adjusted EBITDA, which means operating profit before depreciation, amortisation and share-based payment charge/credit. Refer to note 11 for reconciliation.

Adjusted operating profit, which means operating profit before amortisation of acquired intangible assets and share-based payment charge/credit. Refer to note 11 for reconciliation.

Adjusted profit before tax, which means profit before tax, amortisation of acquired intangible assets and share-based payment charge/credit. Refer to note 11 for reconciliation.

Adjusted earnings, which means profit after tax before amortisation of acquired intangible assets and share-based payment charge/credit net of taxation. Refer to note 11 for reconciliation.

Adjusted earnings per share, which means Adjusted earnings divided by the weighted average number of shares in issue during the year. Refer to note 10 for reconciliation.



Claire Thomson

Chief Financial Officer

16 March 2026

RISK MANAGEMENT

Responsibly and robustly managing our risks.

The Board is ultimately responsible for setting and approving risk appetite and ensuring that the Group maintains a sound risk management and internal control framework.

RISK APPETITE

The Group generally maintains a cautious risk appetite but considers each risk on its merits, taking into account its nature, severity of impact and likelihood of occurrence, following the implementation of appropriate internal controls. The Group acknowledges the need to accept a certain level of strategic risk to achieve capital growth for shareholders.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk identification and monitoring are iterative processes embedded within the Group to facilitate early identification and escalation of current and emerging risks. The Group considers both its own risk landscape and that of its extended businesses, including the entire supply chain, material third parties and reliance on strategic partners. The Group's strong governance and communication structures are also embedded in the businesses to ensure effective risk management and mitigation and to facilitate the execution and delivery of the Group's stated purpose and strategy.

THE AUDIT COMMITTEE

Responsibility for the review and approval of the Group's risk appetite and risk register is delegated by the Board to the Audit Committee, which considers the nature and extent of principal risks to the Group's achievement of its corporate purpose, strategic objectives and any related opportunities. It ensures that all potential risks have been properly identified and considered, on a proportionate and material basis, including those relating to climate change and that appropriate mitigating actions, internal controls and assurance activities are implemented. It also reviews the Group's internal controls. It considers reports from the Group's management on the effectiveness and integrity of the Group's internal control and risk management systems. It determines whether they are sufficiently robust to manage the identified risks. The CFO and the Group Financial Controller are responsible for updating the Committee on progress against the Group's internal audit and risk plan and assurance activities.

Each year, the Committee assesses whether a separate internal audit function is needed and makes a recommendation to the Board for approval. When satisfied, the Committee approves the Group's risk register, risk management framework, internal controls and assurance activities and concludes whether they are appropriate to achieve effective risk management.

GROUP EXECUTIVE COMMITTEE AND OPERATING BOARDS

The Group Executive Committee discusses 'Risk Management and Compliance' as a standing agenda item at each monthly meeting. As part of such a discussion, Divisional Leads escalate any new, current or emerging risks for discussion by the Committee and for consideration of any necessary amendments to internal controls. New risk and compliance-related policies and procedures are reviewed and discussed by the Group Executive Committee. The Audit Committee and/or Board approve all new key risk and compliance policies and re-approve all existing policies on an annual basis.

The Operating Boards of Facilisgroup and Brand Addition meet regularly. Each business maintains its own risk register, which is reviewed against the Group's risk register twice a year before review by the Audit Committee, as described above. Each Operating Board includes 'Risk Management' as a standing agenda item at each monthly meeting, where the lead for each key function addresses significant risks relevant to their area, including potential emerging risks and the current risks identified below.

These effective risk management practices and processes drive responsible decision-making throughout the Group.

RISK OWNERSHIP

To ensure effective and accountable management of individual risks, each risk identified on the Group's risk register is assigned to the CEO or CFO as the risk owner. The risk owner is ultimately responsible for the ongoing monitoring, review and mitigation of individual risks.



RISK MANAGEMENT

KEY RISKS

The Board has identified the risks summarised in the following pages as currently being the most significant and specific to the Group’s businesses. They are the key challenges to the execution of each business’s purpose, business model and strategy. The summary shows changes in risk scores from the prior year, along with the corresponding mitigating measures and internal controls to address each risk.

The following heatmap illustrates the Group’s rating of key risks, relative to one another. The primary categorisation of each risk (financial, strategic or operational) is indicated, although some risks may span multiple categories.



RISK MANAGEMENT

SUMMARY OF KEY RISKS

RISK	MITIGATION	RISK	MITIGATION
1. BREACH OF IT SECURITY OR CYBER-ATTACK		2. MACROECONOMIC ENVIRONMENT	
<p>Cybersecurity threats are increasingly sophisticated, impacting businesses globally. The growing adoption of AI technologies could expose the Group to greater cybersecurity risks.</p> <p>IT security breaches, malware and cyber-attacks can compromise data and disrupt operations, potentially leading to business losses and hindering the Group's financial targets.</p> <p>Additionally, these incidents may result in litigation and damage the Group's reputation and goodwill with clients and Partners.</p>	<p>Brand Addition maintains ISO 27001 information security certification, whilst Facilisgroup obtained SOC 2 information security certification in January 2026.</p> <p>Group employees receive regular IT security training. IT security personnel monitor trends and implement new processes, systems and AI technologies, as appropriate, in response to emerging threats and vulnerabilities. Disaster recovery and crisis management plans ensure efficient incident response, enabling the business to recover with minimal disruption.</p> <p>In FY 25, the Group developed and implemented an Artificial Intelligence Policy, which codified rules on the use of AI within the Group and how such technologies should be adopted to ensure the Group maximises the benefits of AI while minimising cybersecurity risks.</p> <p>The Group intends to undertake an external testing of its cyber incident response plans in 2026.</p> <p>Change to risk No change </p>	<p>There remains a degree of macroeconomic uncertainty, driven by ongoing conflicts, geopolitical change and instability across the globe, including in the Middle East.</p> <p>Consequently, interest rates, raw material prices, energy costs and shipping costs remain volatile.</p> <p>Additionally, continued protectionism by the US Government could lead to the ongoing instability of import tariffs between countries, thereby increasing the likelihood of recession in local, regional and/or global economies.</p> <p>Such an economic downturn could affect end users' marketing budgets and, in turn, their demand for promotional products. This could directly impact the products and services provided by Brand Addition and by Facilisgroup's Partners, thereby affecting the Group's ability to meet its financial targets and growth expectations.</p>	<p>The Group has remained profitable and cash-generative despite previous fluctuations in demand and global supply chain disruptions.</p> <p>Both businesses are cash-generative, with Brand Addition's client base supporting a strong balance sheet.</p> <p>Increases in interest rates, raw material prices, energy costs or shipping costs would generally impact the industry, including Brand Addition's competitors. Brand Addition supplies a broad range of products and is not reliant on any single raw material. Furthermore, shipping and raw material costs account for only a portion of the landed costs on which Brand Addition prices its products.</p> <p>Facilisgroup's subscription-based platform shields it from economic downturns, providing some revenue stability.</p> <p>Brand Addition's diversified revenue across geographies and sectors protects it from demand reductions and its flexible operating model safeguards profits.</p> <p>Change to risk No change </p>

RISK MANAGEMENT

RISK	MITIGATION	RISK	MITIGATION
3. GLOBAL SUPPLY CHAIN DISRUPTIONS		5. SHARE PRICE PERFORMANCE, VOLATILITY AND LIQUIDITY	
<p>The Group must be prepared for the potential impact of disruption to global supply chains caused by factors outside the Group's control, including geopolitical events, armed conflicts, terrorism and pandemic outbreaks.</p> <p>Several regions worldwide remain affected by actual or potential geopolitical instability or conflict, including the Middle East and Ukraine.</p> <p>Continuations or escalations in the frequency or severity of such incidents could disrupt global supply chains and transport routes, impacting availability, reliability and operational costs. This could result in a reduction, loss, or cancellation of sales, affecting the Group's ability to achieve its financial targets.</p>	<p>The Group's strong industry position and established client and Partner relationships enable it to endure supply chain disruptions and quickly return to growth.</p> <p>The Group has suppliers across various regions and maintains alternative supplier relationships for key product categories, enabling supply to be diverted as needed. Brand Addition would identify any heightened risk of disruption through its supplier evaluation process.</p> <p>The Group has an established track record of swiftly responding to global supply chain issues and of managing its flexible cost base to remain profitable and cash-generative. It has a strong balance sheet, effective working capital management, is cash-generative and has access to a £10m revolving credit facility. The Group also maintains business interruption insurance.</p> <p>Change to risk No change </p>	<p>Prolonged periods of depressed share price performance may erode shareholder confidence and increase the risk of hostile takeover approaches, disrupting the Group and its employees. Share price volatility and constrained share liquidity can reduce the attractiveness of equity investments to existing and potential shareholders.</p>	<p>In FY 25, the Group undertook a share buyback programme through a tender offer to enhance liquidity and returns to shareholders.</p> <p>The Group continues to focus on developing and executing its business strategy and maintaining strong investor relations.</p> <p>The Group also maintains ongoing relationships with leading strategic advisers and is well-positioned to robustly and speedily defend against hostile takeover attempts.</p> <p>Change to risk No change </p>
4. RELIANCE ON IT SYSTEMS		6. RETAINING AND ATTRACTING KEY PERSONNEL	
<p>The Group's IT platforms and infrastructure are critical to its effective operation. A prolonged unavailability or disruption of IT systems could impair the Group's ability to deliver its goods and services, thereby affecting its reputation and its ability to meet its financial targets.</p>	<p>The Group has experienced, skilled IT teams, supported by external consultants where necessary, that monitor the availability and performance of the Group's core IT infrastructure.</p> <p>Robust disaster recovery and business continuity procedures are regularly monitored and updated by IT and operations teams.</p> <p>The Group intends to undertake an external testing of its cyber incident response plans in 2026.</p> <p>Change to risk No change </p>	<p>Attraction and retention of experienced and skilled personnel remain critical to achieving the Group's organic growth plans, as detailed in the Strategic Report on pages 01 to 52.</p> <p>Remuneration and reward expectations among job applicants remain high, particularly in the US technology sector, where senior executives typically expect regular share-based incentive awards as part of a high-value remuneration package. This, in conjunction with the Group's desire to ensure fairness and consistency of pay levels amongst its existing staff, has increased overall inflationary pressure on remuneration and reward costs across the Group's workforce.</p> <p>A failure to attract and retain high-quality personnel could impact the Group's ability to service our clients, maintain best-in-class products and grow our businesses. This could also adversely affect existing staff workloads and morale, leading to higher resource turnover and reduced productivity and engagement.</p>	<p>We continually invest in our talented and dedicated workforce, as detailed in the Our Stakeholders and Section 172 section of this Annual Report on pages 15 to 19.</p> <p>We offer competitive, regularly reviewed compensation packages and routinely survey employees to monitor engagement and identify opportunities for improvement.</p> <p>In FY 25, the Group launched a new variable remuneration plan for senior team members and a new LTIP for the Executive Directors. Please refer to the Directors' Remuneration Report on pages 69 to 75 for further information.</p> <p>Attrition rates are monitored monthly across sites and geographies to enable quick mitigating actions if necessary.</p> <p>Change to risk No change </p>

RISK MANAGEMENT

RISK	MITIGATION	RISK	MITIGATION
7. INTERRUPTION TO WAREHOUSE OPERATIONS		9. TECHNOLOGICAL CHANGE AND ARTIFICIAL INTELLIGENCE (AI)	
<p>The Group's warehouses receive, store and dispatch large volumes of products internationally.</p> <p>If the Group's warehouse operations are subject, directly or indirectly, to any catastrophic event such as flood or fire, extreme weather event or significant and prolonged periods of labour illness or shortages, then the Group's ability to receive and process orders could be compromised. This could result in the reduction, loss, or cancellation of sales, affecting the Group's ability to achieve its financial targets.</p>	<p>The Group's warehouse locations span several geographic regions, reducing the likelihood that multiple warehouses will be simultaneously affected by the same event. The business can also divert supply across its infrastructure if an incident occurs at a single location.</p> <p>Warehousing operations account for approximately 40% of Group revenues, thereby diversifying risk in the event of an operational interruption. Facilisgroup does not have warehouses and therefore its revenues are not reliant on them.</p> <p>The Group maintains business interruption and property insurance and has business continuity and disaster recovery plans for each of its warehouses, which are reviewed regularly.</p> <p>Change to risk No change </p>	<p>As technology evolves rapidly, the Group risks facing competition from current and new market entrants with advanced technologies, products or services that challenge its offerings.</p> <p>A failure by the Group to embrace AI technologies to drive efficiencies, reduce costs and enhance its products and services may put it at a competitive disadvantage.</p> <p>Failure to quickly adapt or introduce new products could put the Group at a significant disadvantage, harming its reputation and goodwill with clients and Partners, impacting its retention statistics and ability to meet financial targets.</p>	<p>The Group continually strives to enhance its existing products and services. It maintains strong business relationships with its clients and Partners, obtaining feedback and continually enhancing its offerings to meet their needs and respond to technological changes.</p> <p>The Group monitors the market for potential acquisition targets that would enhance its offering whilst continuing to invest in its technology and IT capabilities. The Group is increasingly deploying AI enabled tools to support operational efficiency, enhance decision-making and improve the experience it delivers to Partners, clients and end customers.</p> <p>The Group does not anticipate the increasing prevalence of AI-technologies having an adverse impact on the demand for promotional products in its end markets as the need for brands to make an emotional long-term connection with their stakeholders remains a key element of their marketing strategies.</p> <p>In FY 25, the Group developed and implemented an Artificial Intelligence Policy, setting out the rules on the use of AI within the Group and how such technologies should be adopted to ensure the Group maximises the benefits of AI while minimising risks (including data protection compliance risks, intellectual property and confidentiality risks, ethical considerations and compliance with broader legal obligations).</p> <p>Change to risk No change </p>
8. CONCENTRATED CLIENT BASE			
<p>Brand Addition's core strategy is to win, grow and retain multi-country outsourced contracts, as detailed on pages 13 and 14 of this Annual Report. However, Brand Addition has a relatively small number of key clients and, in FY 25, generated 53% of Group revenue from its top 10 clients. A loss of, or significant reduction in activity from, major clients could affect the Group's financial targets.</p>	<p>Facilisgroup's diversified client base and 39% share of FY 25 Group Adjusted EBITDA means that the impact of losing a key Brand Addition client on Group Adjusted EBITDA would be much reduced.</p> <p>In addition, the delivery of Brand Addition's strategic objective of continued growth through new client acquisition would dilute the impact of client loss on the overall Group Adjusted EBITDA.</p> <p>Change to risk No change </p>		

RISK MANAGEMENT

RISK	MITIGATION
10. CLIMATE CHANGE	
<p>Climate change presents several risks to the Group, which are further analysed on pages 33 to 36 of this Annual Report.</p> <p>Extreme weather events driven by climate change could directly affect the Group’s infrastructure, operations and supply chain.</p> <p>The global transition to a low-carbon economy introduces additional regulatory compliance obligations and taxes (such as carbon taxes), which may increase costs for Brand Addition’s supply chain and supplier base. Client demand for low-carbon, sustainable products and services continues to rise and failure to meet this demand could negatively affect client spend and retention.</p>	<p>Our actions and commitments are set out in the ESG section of this Annual Report on pages 20 to 38 and in our ESG Report, which is available on the Company’s website.</p> <p>The Group’s mitigation measures in respect of disruption to global supply chain operations and interruption to warehouse operations are set out above.</p> <p>The Group’s risk register includes climate change as a key risk. It also incorporates a sub-register to focus in more detail on this risk and ensure that all climate-related risks and opportunities are identified, assessed and managed effectively. This process is owned and led by the Senior ESG Officer.</p> <p>Change to risk No change </p>

The Strategic Report (which includes: Achievements for the Year; Our Businesses at a Glance; Our Strategy; Our Investment Case; Chair’s Report; Chief Executive Officer’s Review; Market Review; Our Businesses in Detail; Our Stakeholders and Section 172, Environmental, Social and Governance (ESG); Non-financial and Sustainability Information Statement; TCFD Disclosure Table; Key Performance Indicators; Chief Financial Officer’s Review; and Risk Management) was approved by the Board and signed on its behalf by:



Chris Lee

CEO
16 March 2026

Corporate Governance.

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CHAIR'S INTRODUCTION TO GOVERNANCE

Governing for long-term success.

Welcome to the Corporate Governance Report for the year ended 31 December 2025.

As Chair, I am responsible for overseeing the Group's corporate governance and ensuring that we continue to operate an effective, forward-looking framework that supports our long-term success. I work closely with our Group General Counsel & Company Secretary to maintain a governance structure that is both best-practice aligned and firmly embedded in the culture of the Group.

OUR GOVERNANCE APPROACH

Our governance arrangements emphasise ethical values, strong business practices, transparent communication with stakeholders and robust risk management. Collectively, these ensure the effective operation of the Board and reinforce engagement, confidence and trust among our teams, clients, suppliers and investors. This foundation enables us to deliver industry-leading products, technology and services to the global promotional products industry while supporting sustainable long-term shareholder value.

A key part of my role is to ensure a balanced Board agenda that appropriately addresses strategic priorities and governance matters. I monitor the quality and timeliness of Board information, oversee reviews of Board skills and experience against our evolving strategic direction and lead an annual evaluation of the Board and its Committees. The Board also draws on external expertise, such as remuneration advisers and DEI consultants, where this enhances the quality of our governance.

The Group adopts and observes the corporate governance principles set out by the Quoted Companies Alliance (QCA) in its latest (2023) Corporate Governance Code (the QCA Code). I believe that its adherence to the QCA Code provides the Group with a strong core governance foundation for delivering sustainable growth and shareholder value. The 10 corporate governance principles of the QCA Code are set out in our Corporate Governance Statement.

I believe that we are in full compliance with the QCA Code, although our governance practice does differ from the expectations set by the QCA Code on one element of application of Principle 8. This is because we have no current plans to supplement our annual Board performance review by an external independent third-party review.

ENGAGEMENT WITH SHAREHOLDERS

During the year, we continued extensive engagement with shareholders through investor roadshows, our AGM and General Meeting and our half year and full year presentations. I also led a number of one-to-one governance discussions with investors and I remain available to shareholders via the contact details published on our website. Further details on the Group's wider stakeholder engagement can be found on pages 15 to 19.

BOARD COMPOSITION

The Board maintains an appropriate balance of Executive and Independent Non-executive Directors in line with the principles of the QCA Code, to which we remain committed. Our governance practices are reviewed regularly to ensure proportionality and effectiveness for a Group of our size and stage of development. While our annual Board evaluation remains internally facilitated, the Board continues to keep under review whether external facilitation would be beneficial at future stages.

“Good governance is inseparable from our culture and our values continue to shape the way we operate”

OUR CORPORATE CULTURE

Good governance is inseparable from our culture and our values continue to shape the way we operate. Through training, clear policies and tone-from-the-top leadership, we reinforce expectations for all colleagues. Our wider ESG strategy is also integral to how we create long-term value. Built around four stakeholder-informed cornerstones (advancing sustainability, empowering our people, community engagement, and responsible leadership), our ESG priorities reflect the areas where we can drive the greatest positive impact.

Together, our governance, culture and ESG commitments provide a strong platform for delivering responsible growth and for supporting our purpose across all aspects of the Group's operations.



Anne de Kerckhove

Non-executive Chair

16 March 2026

BOARD OF DIRECTORS

Leading with experience.



Anne de Kerckhove
Independent
Non-executive Chair

Tenure

1 year 6 months

Experience

Anne is a highly accomplished international executive with more than 20 years' experience in technology and innovation globally, leading and scaling fast-growing companies in SaaS, data, media and entertainment and digital commerce. Anne has extensive executive and non-executive board experience. Anne holds a Bachelor of Commerce from McGill University and an MBA from INSEAD.

Skills brought to the Board

- International leadership and global expansion.
- Executive and non-executive board experience.
- SaaS, technology and digital commerce.
- Marketing and digital transformation.
- Technology product development.
- SaaS go-to-market.
- Fundraising and M&A.

External appointments

- Non-executive Chair - Eagle Eye plc.
- Deputy Chair and Non-executive Director (SID) - Evoke plc.
- Non-executive Chair - Moneyhub Financial Technology Ltd.

Committee membership

Audit Committee - Member

Nomination Committee - Chair

Remuneration Committee - Member



Christopher (Chris) Lee
Chief Executive Officer
(CEO)

Tenure

26 years

Experience

Chris led the private equity-backed management buyout of Brand Addition in 2012 and 2017, the acquisitions of Gateway CDI and Facilisgroup in 2016 and 2018, respectively, and the listing of The Pebble Group plc on AIM in 2019.

Skills brought to the Board

- Leadership and strategic planning.
- Commercial and operational.
- Stakeholder relationship management, contracting and negotiation.
- People leadership and development.
- Investor relations and investor sentiment.
- Market, sector and promotional products business expert.
- M&A and transactions.
- ESG.

External appointments

- None

Committee membership

Group Executive Committee - Member



Claire Thomson
Chief Financial Officer
(CFO)

Tenure

18 years

Experience

Claire has led the finance, banking, tax, legal and compliance aspects of the businesses which now comprise the Group for more than 16 years. She became the Chief Financial Officer following the 2012 management buyout. Claire is a qualified Chartered Accountant and, before joining the Group, spent 11 years in audit at PricewaterhouseCoopers. Claire holds a BA (Hons) in English and American Literature from the University of Manchester.

Skills brought to the Board

- Finance, financial reporting and financial management.
- Risk management and internal controls.
- Leadership and strategic planning.
- Stakeholder relationship management, contracting and negotiation.
- Investor relations and investor sentiment.
- Market, sector and promotional products business expert.
- M&A and transactions.

External appointments

- Director at Cheadle Hulme School

BOARD OF DIRECTORS



Yvonne Monaghan
Independent Non-executive Director and Senior Independent Director

Tenure

6 years 4 months

Experience

Yvonne served as the Chief Financial Officer of Johnson Service Group PLC for 17 years until she retired from the role on 1 October 2025. She played an important role in returning the company to a growth strategy, managing a number of acquisitions and disposals. She was also a Non-executive Director of NWF Group plc from 2013 until September 2020.

Yvonne is a qualified Chartered Accountant and spent five years in audit at Deloitte Haskins & Sells, before joining Johnson Service Group PLC in 1984. Yvonne has a BSc (Hons) degree in Pharmacology and Physiology from the University of Manchester.

Skills brought to the Board

- Finance and financial reporting.
- AIM-listed companies and AIM Rules.
- Corporate governance.
- Audit processes.
- Risk management and controls.
- M&A and transactions.
- Investor relations and investor sentiment.

External appointments

- None

Committee membership

Audit Committee – Chair

Nomination Committee – Member

Remuneration Committee – Member



David Moss
Independent Non-executive Director

Tenure

2 years 8 months

Experience

David has extensive technology and Board experience. Following a four-year tenure at Lynx Financial Systems as a Developer, Designer and Software Architect, David co-founded Blue Prism as Chief Technology Officer in 2001. During his 20-year tenure, David had direct responsibility for all technology product-related matters and participated in key stakeholder engagements, serving on the Blue Prism Board. Following a successful AIM IPO in 2016, Blue Prism was acquired by SS&C in 2022 for \$1.6bn. David has a BSc (Hons) degree in Mathematics from Leeds University.

Skills brought to the Board

- Extensive leadership.
- Ambitious growth strategy execution and building shareholder value.
- Digital technology business and sector knowledge.
- Technology product management, marketing and R&A.
- Intellectual property.
- M&A and transactions.
- Corporate governance.

External appointments

- Director at Binary Pursuits Limited.

Committee membership

Audit Committee – Member

Nomination Committee – Member

Remuneration Committee – Chair



Markus Bihler
Independent Non-executive Director

Tenure

Appointed September 2025

Experience

Markus is an advisor, non-executive director and investor with experience across private equity, hedge funds and technology businesses. He co-founded and led Builders Union Asset Management, a global, consumer-focused hedge fund; served as CEO of high-growth technology companies in Europe and Southeast Asia; and worked in private equity at EQT Partners and The Blackstone Group.

Markus holds a degree in Economics and Management from the University of Oxford.

Skills brought to the Board

- Extensive leadership experience in global investment and technology sectors.
- Deep expertise in private equity, hedge funds and capital markets.
- Proven track record in scaling high-growth businesses internationally.
- Strong strategic and operational insight across consumer and technology industries.
- Experience in corporate governance and board advisory roles.

External appointments

- Founder – Bihler Investments
- Chairman – Hoffman Institute South Africa
- Director – Ossington Holdings Limited
- Adjunct Lecturer, Department of Finance – University of Cape Town

OUR GOVERNANCE FRAMEWORK

Governance at a glance.

BOARD ENGAGEMENT

Board Members	Board attendance	Audit Committee attendance	Nomination Committee attendance	Remuneration Committee attendance
Anne de Kerckhove	9 (9)	3 (3)	4 (4)	4 (4)
Christopher Lee	9 (9)	- (-)	- (-)	- (-)
Claire Thomson	9 (9)	- (-)	- (-)	- (-)
Yvonne Monaghan	9 (9)	3 (3)	4 (4)	4 (4)
David Moss*	8 (9)	1 (1)	4 (4)	3 (4) (of which 1 as Chair)
Markus Bihler**	2 (2)	1 (1)	2 (2)	1 (1)
Stuart Warriner***	6 (6)	2 (2)	2 (2)	3 (3)

○ # meetings held whilst a Board/Committee member or Chair.

● # meetings attended as Board/Committee member.

● # meetings attended as Board/Committee Chair.

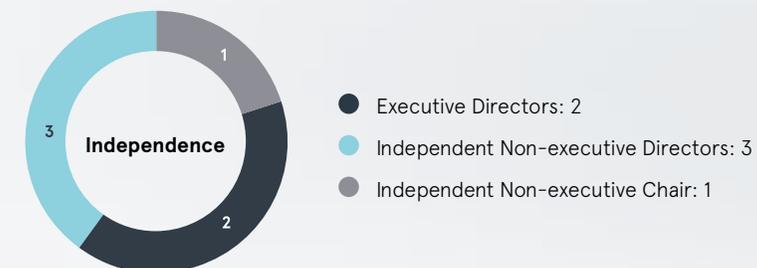
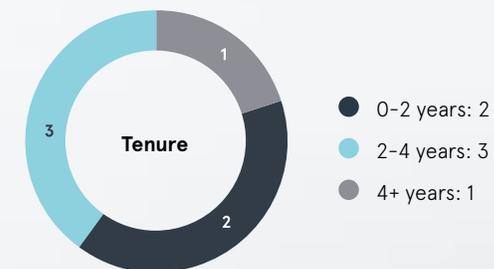
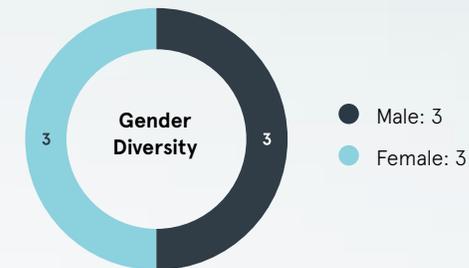
* In 2025, three meetings of the Remuneration Committee were held before David was appointed Chair of that Committee on 9 September 2025 and one meeting was held following his appointment. In 2025, one Audit Committee meeting was held following David becoming a member of that Committee on 30 September 2025.

** Markus Bihler was appointed to the Board on 9 September 2025. Markus attended all Board and Committee meetings held between his appointment and 31 December 2025.

*** Stuart Warriner resigned from the Board on 9 September 2025 and ceased to be the Chair of the Remuneration Committee and a member of the other Committees on that date. Between 1 January 2025 and his resignation, Stuart attended all Board and Committee meetings.

BOARD COMPOSITION

As at 16 March 2026

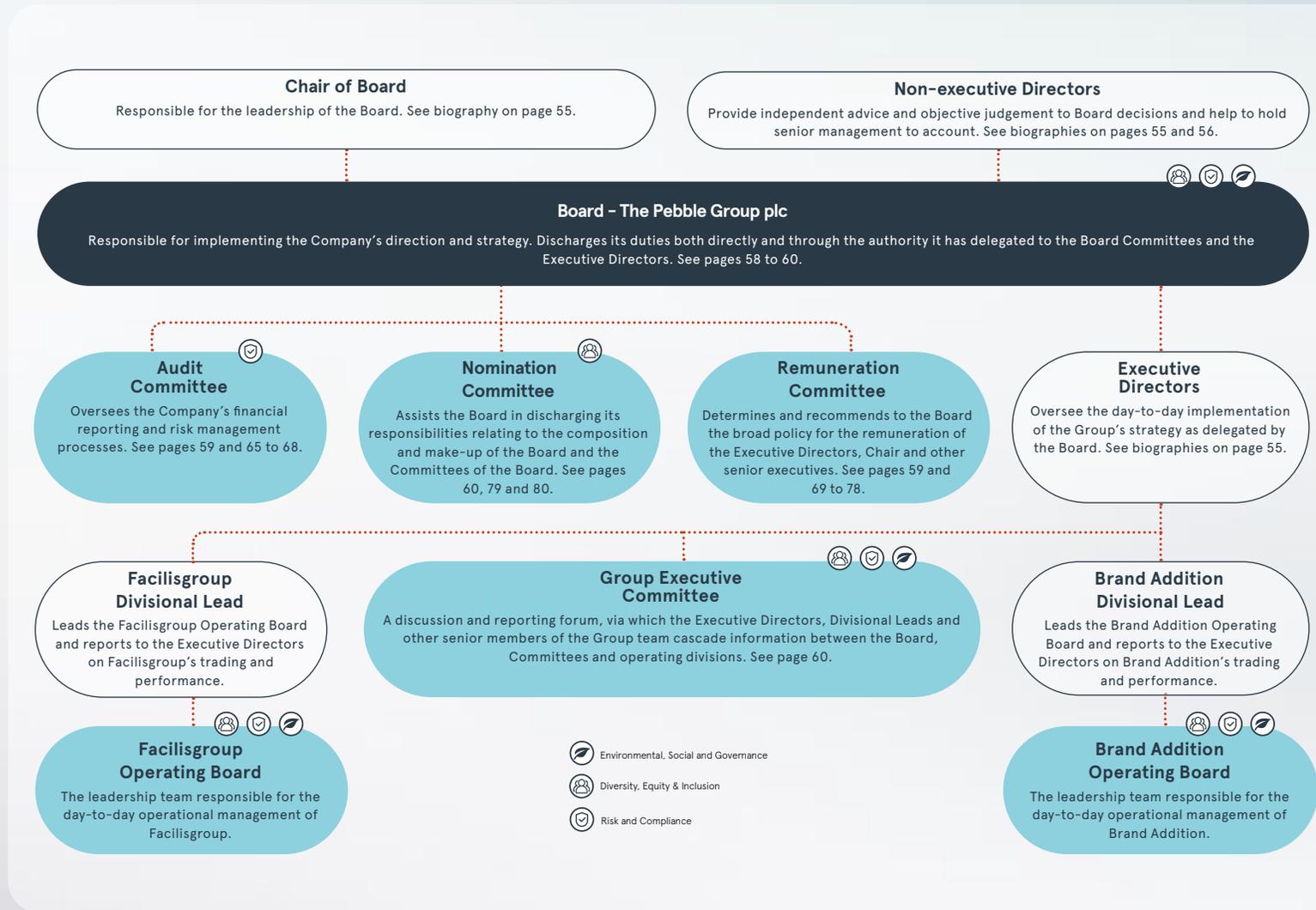


OUR GOVERNANCE FRAMEWORK

OUR BOARD

Role and Responsibilities of the Board

The Board is responsible for providing effective leadership to the Group and promoting an ethical corporate culture. It ensures that a robust and effective risk management framework is embedded throughout the organisation, oversees the integrity of external reporting and sets the Group’s long-term strategy to deliver sustainable shareholder value. Further detail on the Group’s purpose, strategy, objectives and business model is provided in the Strategic Report on pages 01 to 52.



OUR GOVERNANCE FRAMEWORK

The roles of the Chair and the CEO are separate, with clearly defined and documented responsibilities. The Chair remains independent of management, ensuring oversight and challenge.

The responsibilities of the Board Committees are set out in their respective terms of reference, which are available in the Investors section of the Company's website.

The Board comprises Directors with a broad and complementary range of skills, experience and knowledge, supporting the delivery of the Group's strategy and the long-term success of the business. Biographies of the Executive and Non-executive Directors, including details of their backgrounds and Committee memberships, appear on pages 55 and 56.

Composition of the Board

The Board maintains an appropriate balance between Executive and Non-executive Directors, ensuring a clear division of responsibilities and independent judgement in all decisions. The Board also demonstrates strong gender balance, with the roles of Chair, Senior Independent Director and CFO all held by women.

Meetings and decisions of the Board

The Board meets as often as required to discharge its duties effectively. In 2025, nine full Board meetings were held, supplemented by subcommittee meetings convened as necessary. Directors' attendance at scheduled Board meetings is set out on page 57.

A schedule of matters is reserved for the Board, including approval of the interim and annual financial results, setting and monitoring strategy and consideration of opportunities for business expansion.

An annual rolling plan of agenda items ensures that all reserved matters, governance topics and other priority areas are discussed promptly. Meeting agendas are agreed with the Chair to ensure time is allocated appropriately across business performance, strategic matters, governance and compliance. Pre-reading papers are circulated several days in advance of meetings to allow adequate time for review.

At each meeting, the Board satisfies itself that the information provided is sufficient, accurate and comprehensive to support effective decision-making. No individual or group of individuals dominates Board discussions or decision-making. Where appropriate, the Board seeks independent external advice to support its decision-making and to provide challenge. Please refer to the Our Stakeholders and Section 172 section of this Annual Report for further details of how the Board considers the interests of stakeholders as part of its decision-making process.

At each meeting, the CEO and CFO provide updates on trading, operational performance, financial results, market conditions, risk areas and progress against strategic objectives. Updates also include investor relations activity and feedback from shareholders and potential investors.

During the year, members of the leadership teams from across the Group attended various Board meetings to present on specialist areas and engage directly with Directors. Sufficient time is provided for discussion and debate and appropriate challenge forms a core part of the Board's decision-making process.

The Group General Counsel & Company Secretary attends all Board meetings to advise on governance matters. The Senior ESG Officer attends twice a year to report on ESG strategy and progress.

Board Effectiveness Review

The Board, led by the Chair, conducts an annual internal, non-anonymous review of the effectiveness of the Board, its Committees and individual Directors. The review is facilitated by an electronic questionnaire, which enables clearer, more consistent reporting and year-on-year comparisons. The criteria against which effectiveness is assessed are: 'Composition and Process'; 'Behaviours and Activities'; and 'ESG and Sustainability Governance'.

Results of the Board Effectiveness Review are presented to the Board for review and discussion. The 2025 review highlighted high Director engagement, with a consistent view that a strategy-focused agenda of Board meetings in 2025 had delivered more valuable and insightful Board discussions than in the prior year.

It was noted that ethnic diversity among the Directors remained limited, although the Board was considered to have a good gender mix and a diverse range of skills, backgrounds, nationalities and personalities. This remained an issue that will be kept under review by the Board in 2026 and beyond.

OUR BOARD COMMITTEES

The Audit Committee

The Audit Committee has primary responsibility for monitoring the integrity of the Group's financial statements and the scope, adequacy and effectiveness of its internal financial controls, internal control and risk management systems. This is to ensure that the Group's financial performance and prospects are accurately measured and reported. The Committee receives reports from the Group's management and external auditor relating to the Group's annual accounts and its accounting and internal control environment. The Committee determines and reviews the Group's risk profile, including the nature and extent of significant risks that the Group is willing to take to achieve its strategic objectives. Please see the Risk Management section of this Annual Report on pages 47 to 52.

It also provides channels of communication between the Group's external auditor and its Non-executive Directors. The Committee reviews the performance of the external auditor and recommends to the Board the appointment of the external auditor for the following financial year. Further information about the Committee is available in the Audit Committee Report on pages 65 to 68.

The Remuneration Committee

The Remuneration Committee has primary responsibility for determining the total remuneration packages of the Executive Directors, ensuring that they are fairly and responsibly rewarded for their individual contributions to the Group's overall performance. The Committee also monitors the level and structure of senior executives' remuneration. The Committee retains external remuneration consultants to support its responsibilities as necessary. Further information about the Committee can be found in the Directors' Remuneration Report on pages 69 to 75.

OUR GOVERNANCE FRAMEWORK

The Nomination Committee

The Nomination Committee is responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise. In respect of new appointments, the Committee considers the balance of skills, experience, independence and knowledge of the existing Board. The Committee also reviews: the Board's structure, size, diversity and composition; makes recommendations on the annual reappointment of Directors; oversees succession planning, talent identification and development; and the Group's DEI strategy and policy. The Committee retains external consultants to support its responsibilities as needed. Further information about the Committee can be found in the Nomination Committee Report on pages 79 and 80.

OUR OPERATING BOARDS AND GROUP EXECUTIVE COMMITTEE

Structure and composition

Each Group business has an established Operating Board with a standing agenda that includes updates from the heads of all key functions and risk monitoring. Each Operating Board meets monthly and is led by a Divisional Lead.

Each Divisional Lead, together with other key members of their Operating Boards, formally report to the Group Executive team on trading and performance during Executive Monthly Meetings and also through the Divisional Lead's membership of the Group Executive Committee.

The Group Executive Committee meets frequently and has its own terms of reference and standing agenda. The Committee assists the Group in fostering a shared understanding of the financial and economic factors affecting the Group's performance. It also facilitates information flow across the Group to ensure alignment of culture, business ethics and standards and consistent good governance. In 2025, the Group Executive Committee comprised the Executive Directors of the Company, the Divisional Lead for each business, the Group Financial Controller, the Group's Senior ESG Officer, the Group General Counsel & Company Secretary and the Group Head of Tax.

OUR ESG GOVERNANCE

The Group governs ESG and monitors its impact on society, communities and the environment through a bespoke ESG framework and strategy, based on our four ESG cornerstones, aligned with the outputs of its ESG materiality assessment and with its overall strategy and business model. This ensures that the Group remains focused on the environmental and social issues that matter most to its stakeholders and are beneficial to our businesses.

The ESG framework is overseen by the Board, which sets and approves the ESG strategy and policy. The Board monitors performance against KPIs annually and receives updates on performance every six months. The Board also approves each ESG Report before publication.

For further information, please refer to the ESG section of this Annual Report on pages 20 to 38.

OUR GOVERNANCE POLICIES

The Group has developed and maintains key governance policies to establish a common understanding of the high standards of conduct, ethics and responsible business practices expected across our businesses and in our wider stakeholder relationships. They cascade the right culture from the Board and set the tone for expected behaviour. Our culture and values aim to protect the Group from unnecessary risk, enable long-term growth and secure our long-term future.

All Group policies in our governance framework can be found in the ESG section of the Company's website. These are reviewed by the Audit Committee and approved by the Board on an annual basis to ensure that they reflect current working practices, remain relevant and are aligned with best practice. For information about new policies introduced by the Group in 2025, please refer to the Audit Committee Report on pages 65 to 68.

The Group Executive Committee is responsible for reviewing policies before submitting them to the relevant Committee (as appropriate), then to the Board for approval. The Group Executive Committee also communicates all finalised policies to the senior executives in each business to ensure consistent messaging. The Divisional Leads are responsible for implementing the policies, as appropriate for their business.



CORPORATE GOVERNANCE STATEMENT

The Pebble Group adopts and observes the corporate governance principles set out by the QCA Code.

The ten corporate governance principles of the QCA Code are set out in this Corporate Governance Statement, with a summary of how the Company complies with those principles and cross-references to where you can find additional detail within this Annual Report.



DELIVER GROWTH

Principle 1

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

The Board recognises its responsibility for determining the nature and extent of the principal risks the Group must assume to achieve its strategic objectives. All strategic initiatives are underpinned by our values and the high standards of conduct, ethics and compliance we expect.

Our strategy is revisited annually with a six-monthly check-in. In 2025, the Board held its annual strategy event in September with all Directors in attendance.

Further information:

- The Strategic Report on pages 01 to 52 sets out the Company's purpose, business model and strategy.
- The Company's key challenges in the execution of its purpose, business model and strategy are set out on page 47 to 52 of this Annual Report.

Principle 2

Promote a corporate culture grounded in ethical values and behaviours.

The Board embraces its role in setting a high standard for the Group's corporate culture, grounded in ethical values and behaviours.

Our culture is focused on a united team, connected to all stakeholders through positive relationships and ambitious to ensure our businesses deliver sustainable results the right way. This is reflected in our values, stakeholder engagement activities, governance structure, key governance policies, training and top-level messaging, as described throughout this Annual Report.

Our desired culture is demonstrated through the actions and decisions of the Board and executive management team. They set the tone from the top by establishing the Group's strategy and direction, overseeing governance and risk management (including whistleblowing) and promoting the importance of key governance policies and processes. The Board ensures that these policies and training are designed to align meaningfully with our culture and ways of working. Additionally, the executive management team communicates directly on certain compliance matters.

The Board maintains oversight of its culture by receiving the results of biannual employee engagement surveys conducted by each of its businesses. Survey questions are aligned across businesses and with prior years' surveys to enable progress tracking, meaningful trends and comparisons.

The Group has a robust compliance framework to regulate its activities with respect to business conduct, including modern slavery, anti-bribery and anti-corruption, fraud, data protection, whistleblowing and non-facilitation of tax evasion and closely monitors compliance with these. The Group also has a DEI Policy, which the Board oversees to ensure adherence.

Further information:

- The Strategic Report on pages 01 to 52 sets out the Company's desired culture.

CORPORATE GOVERNANCE STATEMENT

Principle 3**Seek to understand and meet shareholder needs and expectations.**

The Board gives shareholder communication high priority. The Executive Directors have primary responsibility for liaison with the Company's shareholder base and, during 2025, they maintained active, frequent dialogue.

The Chair leads investor engagement on governance matters and has held one-to-one meetings with shareholders since her appointment in September 2024. The Chair of each Committee attends the AGM and is otherwise available for questions via the email address publicised on the Company's website.

Regular updates on shareholder meetings, together with all reports and analyst feedback, are provided to the Board to support their understanding of the investment community's view of the Company.

In 2025, the Remuneration Committee undertook a formal engagement process with major shareholders regarding the remuneration of Executive Directors. For further information, please see the Directors' Remuneration Report on page 69 to 75.

Further information:

- The Our Stakeholders and Section 172 section of this Annual Report states how the Group engaged with shareholders in 2025.
- Please refer to the ESG section and TCFD disclosure table in this Annual Report for further details on the Group's approach to environmental and social matters to meet investor needs and expectations.

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

Understanding the views and issues raised by all of our key stakeholders forms a key part of the Board's decision-making process.

Our values reflect our commitment to social responsibility and sustainable impact and demonstrate that being connected to all our stakeholders is integral to the Group's culture. The aim is to ensure that our teams, senior management and, ultimately, the Board understand the needs and aspirations of all stakeholders to support long-term success. The Board and its Committees take into account relevant stakeholder interests in all key decision-making. Our Board report template prompts authors to outline the consequences of each proposal on the long-term success of the Company, including (where relevant) the impact on the Company's wider social and environmental responsibilities.

'Empowering our people' is one of the Group's ESG cornerstones. The Audit Committee ensures that a robust Whistleblowing Policy and process are in place to support and encourage employees and stakeholders to raise concerns regarding conduct within the organisation that could fall below expected standards, without fear of recrimination, victimisation, or any disadvantage.

The Board ensures oversight and governance of the Group's approach towards relevant social and environmental issues through its periodic review of the ESG governance framework and annual approval of the Group's ESG strategy and policy.

The Audit Committee oversees the Group's risk register, which includes an assessment of the Group's climate-related risks and opportunities and is reviewed and approved biannually. Day-to-day oversight of achievement against social and environmental objectives is managed by the Senior ESG Officer, who works alongside each Group business to ensure alignment with the Group's objectives and implementation of action plans.

'Advancing sustainability' and 'Community engagement' are two of the Group's ESG cornerstones, representing the environmental and social issues most important and relevant to the Group. The Board also has insight and understanding of the environmental and social issues that are material to its purpose, strategy and business model, based on its periodic ESG materiality assessment.

Further information:

- The Our Stakeholders and Section 172 section of this Annual Report states how the Group engaged with wider stakeholders in 2025.
- The ESG section of this Annual Report provides further detail on the Group's approach to its wider stakeholder, social and environmental responsibilities, as well as its forward-looking ESG targets.

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

The Group generally maintains a cautious risk appetite but considers each risk on its merits, taking into account its nature, severity of impact and likelihood of occurrence. The Board acknowledges the need to accept a certain level of strategic risk to achieve capital growth for shareholders.

The Company's risk management framework is designed to identify and address all relevant and material risks to the execution of the Group's strategy. The framework includes an effective process for identifying risks, considering and assessing them on a proportionate and material basis and managing them.

Risk registers are held and reviewed twice per year at both Divisional and Group levels and alignment reviews are conducted at the Group level with thorough discussion, including with the CFO, Group Financial Controller, Group General Counsel & Company Secretary, Senior ESG Officer and Group Head of Tax.

The Audit Committee assures that the risk management and related control systems in place throughout the Group's businesses are embedded and effective. It also monitors and reviews the effectiveness of the Group's internal audit function and the independence of the Company's auditor.

Further information:

- Further details of the Group's approach to risk management, together with a full description of the key risks faced by the Group is set out on pages 47 to 52.
- The Group's climate-related risks and opportunities are explained in the TCFD disclosure table in this Annual Report.
- The Audit Committee's activities are described in the Audit Committee Report.

CORPORATE GOVERNANCE STATEMENT

MAINTAIN A DYNAMIC MANAGEMENT FRAMEWORK

Principle 6

Establish and maintain the Board as a well-functioning, balanced team led by the Chair.

The Board has strong independent representation, a good balance of skills between the Executive and the Non-executive Directors and a good gender balance.

All Non-executive Directors were selected to bring experience and independent judgement to the Board. The independence of Non-executive Directors is reviewed annually by the Board. The shareholdings held by the Non-executive Directors are immaterial and they do not participate in performance-related remuneration schemes or have any interest in Company share option schemes. Accordingly, the Board considers them to be independent.

The Directors can, may and do obtain independent professional advice at the Group's expense where required. They keep their skills up to date through professional development training and other formal means.

Executive Directors dedicate a full-time commitment to the Company. Non-executive Directors are required to

devote such time as is necessary for the proper performance of their duties and must confirm their agreement and ability to do so upon their appointment and any subsequent reappointment. A time commitment of approximately 20 to 30 days per year is anticipated for Non-executive Directors.

The effectiveness of the Board and its Committees is reviewed annually. The Nomination Committee has concluded that the current mix of experience, skills and capabilities supports the delivery of the Group's strategy. This is subject to periodic review to assess future strategic requirements and anticipated developments, given the Group's growth journey and evolving strategy.

Further information:

- Board structure and composition details are on pages 57 to 59.
- Biographies of the Directors, including their skills, are on pages 55 and 56.
- Details on the number of full Board meetings during the year and their attendance by Directors are on page 57.
- For further details on Board activity during the year, please see pages 18, 19 and 59.
- For full details of the Annual Board Evaluation, please see the Nomination Committee Report and Principle 8 below.

Principle 7

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

The Group has a robust governance structure that has evolved to fit naturally with our culture and ways of working. It is currently considered appropriate to the Group's size, complexity, maturity and stage of development.

The role of each Board member is clearly defined. The Chair is responsible for the Board's operations and corporate governance within the Group. The CEO is responsible for proposing the Board's strategic direction and implementing it once approved. The CFO is responsible for all financial matters. All are available for shareholder engagement.

The Group General Counsel & Company Secretary facilitates formal Board and Committee processes and timetables. Each meeting has an agenda, uses a report template (with Section 172 guidance) and information is circulated in advance.

Considered planning ensures that appropriate time is allotted for open and in-depth discussion. All actions arising are formally tracked, followed up on and reported. The Chair and Group General Counsel & Company Secretary keep Board processes under review, including conducting annual planning and agenda-setting that align with the terms of reference. This results in the Board and its Committees regularly receiving high-quality, accurate and timely information that supports sound decision-making by the Directors.

The Group General Counsel & Company Secretary advises the Chair and the Board and is responsible for ensuring that effective Board processes are followed. The Board reviews its formal schedule of matters reserved for the Board and each Committee reviews its terms of reference annually to ensure they remain fit for purpose and continue to support sound decision-making.

The Board's skills and experience are reviewed annually through a forward-looking skills matrix and the annual Board Effectiveness Review to ensure it is sufficiently resourced to fulfil its governance responsibilities on behalf of all stakeholders. The Nomination Committee has concluded that the current skills and experience of the Directors support the delivery of the Group's strategy, taking into account future strategic requirements and anticipated developments.

The Board engages experts when it believes doing so will enhance our governance approach, for example, through our ongoing appointment of Executive Directors' remuneration advisers. The Board and Committees use professional advisers at the Company's expense when considered necessary.

The Company's Nominated Adviser provides annual Board training covering the AIM Rules, Market Abuse Regulation, managing price-sensitive information, the Takeover Code and other topical regulatory updates.

Further information:

- For details of the Group's governance framework, please see pages 57 to 60.
- Information on the activities of the Nomination Committee, including reviewing Board structure, size and composition and oversight of the Director inductions, is on pages 79 and 80.

CORPORATE GOVERNANCE STATEMENT

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

The Board, led by the Chair, fosters a culture of continuous improvement to maximise the effectiveness of Board practices.

On an annual basis, it conducts an internal assessment of the Board's effectiveness and performance as a unit, as well as that of its Committees and individual Directors. Responses to assessments are provided and discussed by Directors on a non-anonymous basis, reflecting the Board's and its Committees' open culture.

The Group has not previously supplemented its internal assessment with an external, independent third-party review and currently has no plans to do so. This is due to the size and nature of the Board and its Committees, the Group's stage of development and the cost implications of such an exercise. The Group's governance practice therefore differs from the QCA Code's expectations in this regard. However, the decision to conduct an external, independent third-party review will be reconsidered annually in advance of each subsequent review.

Succession planning and Board Appointment Processes are built into the Nomination Committee's annual cycle of activities and the Nomination Committee approves the formal succession planning and Board Appointment Processes on an annual basis.

Further information:

- Further information regarding the Board evaluation process, including its outcomes, recommendations and progress against previous recommendations can be found on page 59 and 80.

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

The Board has delegated responsibility for establishing an effective Remuneration Policy to the Remuneration Committee. It is designed to be simple and easy to understand and to motivate Executive Directors to promote long-term growth in shareholder value.

To reflect our approach to good corporate governance and to promote engagement between the Remuneration Committee and our shareholders, the Company's Directors' Remuneration Report and Remuneration Policy are intended to be subject to separate advisory votes at the Company's 2026 AGM.

Further information:

- The Remuneration Policy on pages 76 to 78 sets out how the remuneration structure and practice support the delivery and attainment of the Group's purpose, business model, strategy and culture.

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

The detailed responses to the principles of the QCA Code in this section of the Report, in conjunction with the dialogue with shareholders and other key stakeholders in 2025, as described in detail in the Our Stakeholders and Section 172 section of this Annual Report and the other related information throughout this Annual Report, communicate to shareholders and other relevant stakeholders how the Company is governed and is performing.

Shareholders and other stakeholders are free to engage in dialogue with the Company via investors@thepebblegroup.com.

Further information:

- Challenges experienced during the year and reflections thereon, including action taken to address them, in the Chief Executive Officer's Review and Our Stakeholders and Section 172 sections of this Annual Report.
- Please see the details in Principle 3 above on how the Company maintains an active dialogue with its shareholders through a planned investor relations programme.

AUDIT COMMITTEE REPORT

Overseeing of our compliance, risk and control framework.

“In 2025, the composition of the Committee expanded from three independent Non-executive Directors to four, demonstrating the Group’s continued commitment to its compliance, risk and control framework”

Yvonne Monaghan

Chair of the Audit Committee

Dear Shareholder,

I am Chair of the Audit Committee and I am pleased to present the Audit Committee Report for the year ended 31 December 2025.

COMPOSITION AND EXPERIENCE OF THE AUDIT COMMITTEE

In 2025, the composition of the Committee expanded from three independent Non-executive Directors to four, demonstrating the Group’s commitment to its compliance, risk and control framework.

The Committee currently comprises:

- myself (Chair);
- Anne de Kerckhove;
- David Moss (who was appointed as a member with effect from on 30 September 2025); and
- Markus Bihler (who was appointed as a member with effect from 9 September 2025, to coincide with the planned resignation of Stuart Warrner who was a member of the Committee up to that date).

One Committee member is a qualified chartered accountant and all have considerable business experience in senior financial and operational roles, including knowledge of financial markets, as detailed in the biographies on pages 55 and 56. All Committee members are regarded as having recent and relevant experience.

The Committee is supported by our Group General Counsel & Company Secretary and meets three times per year, including once during the planning stage (before the external audit) and once at the reporting stage (after the external audit), to facilitate discussions on the financial statements, risk and the Group’s internal controls. The CEO, CFO and external auditor attend the meetings. Additionally, the Committee meets the external auditor at least once per year without the Executive Directors present, to discuss their remit and any issues arising.

In 2025, there were three meetings, all with full attendance, as shown in the attendance table on page 57.

RESPONSIBILITIES OF THE AUDIT COMMITTEE

Throughout the year, the Committee continued to fulfil its duties on behalf of the Board. It has an established, structured agenda closely aligned to the Group’s reporting cycle.

The responsibilities of the Committee are defined by its terms of reference, which are reviewed at least annually and can be viewed on the Company’s website. These include primary responsibility for:

- reviewing the effectiveness of the Group’s internal controls and risk management framework, including the scope and adequacy of the Group’s processes and controls in respect of whistleblowing and Corporate Criminal Offences (CCOs);
- monitoring and reviewing the effectiveness of the Group’s internal audit function;
- ensuring a robust assessment of emerging and principal business risks, including ESG and climate-related risks, is completed by the Group and reviewing and advising on internal control processes to identify and monitor those risks;

AUDIT COMMITTEE REPORT

- monitoring the integrity of the Group's financial statements and the external announcements of the Group's results, including reviewing and challenging, where necessary, significant financial reporting issues and judgements that they contain;
- advising on the clarity of disclosures and information, including narrative reporting, contained in the Annual Report and half year results;
- ensuring consistency in application of compliance with applicable accounting standards; and
- overseeing the relationship with the external auditor, including recommending approval of their appointment and approving their remuneration, reviewing their reports and ensuring their independence is maintained.

The Audit Committee reports to the Board on all of these matters.

EVALUATION OF THE EFFECTIVENESS OF THE AUDIT COMMITTEE

To ensure it is operating at maximum effectiveness, the Committee used output from the formal Board Effectiveness Review, detailed on page 59, to evaluate its own performance and constitution during Q4 2025. It concluded that the Committee was operating effectively and no action or changes were required to be recommended to the Board. The Committee's terms of reference were approved by the Board and are available on the Company's website.

SIGNIFICANT MATTERS CONSIDERED IN RELATION TO THE FINANCIAL STATEMENTS

At the request of the Board, the Audit Committee considered whether the 2025 Annual Report provided the necessary information for shareholders to assess the Group's performance, business model and strategy. The Committee was satisfied that, taken as a whole, the 2025 Annual Report did so.

The Audit Committee assesses whether suitable accounting policies have been adopted and whether appropriate estimates and judgements have been made by management. The Committee also reviews accounting papers prepared by management and reviews reports by the external auditor.

The specific areas reviewed by the Committee during the year were:

- the capitalisation of software development costs;
- consideration of the appropriateness of the carrying value of goodwill, intangibles, investments and intercompany receivables;
- the scope, adequacy and effectiveness of the Group's internal financial controls and the internal control and risk management systems, including oversight of whistleblowing, anti-bribery and corruption, sanctions, failure to prevent tax evasion and the new "failure to prevent fraud" regime, together with associated policy updates and training plans;
- the adoption and implementation oversight of a Group Artificial Intelligence Policy;
- going concern assessment; and
- internal audit activity undertaken during the year and approval of the annual internal audit plan for FY 26.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

We refer to several APMs throughout the Annual Report. The Group uses these to provide additional clarity to the Group's financial performance and are used internally by management to monitor business performance, in its budgeting and forecasting and for the determination of Executive Director and senior team remuneration.

The Committee is aware that APMs are non-IFRS measures and should not be regarded as a complete picture of the Group's financial performance. APMs used by the Group are as follows:

- Adjusted EBITDA, which means operating profit before depreciation, amortisation and share-based payment charge/credit;
- Adjusted operating profit, which means operating profit before amortisation of acquired intangible assets and share-based payment charge/credit;
- Adjusted profit before tax, which means profit before tax before amortisation of acquired intangible assets and share-based payment charge/credit;
- Adjusted earnings, which means profit after tax before amortisation of acquired intangible assets and share-based payment charge/credit; and
- Adjusted earnings per share, which means adjusted earnings divided by the weighted average number of shares in issue during the year.

The Committee considers the APMs, all of which exclude the effects of non-recurring items and non-operating events and provide useful information to shareholders on the Group's underlying performance.

The Committee is satisfied that where APMs are used, they are presented with equal prominence to the statutory figures.

AUDIT COMMITTEE REPORT

EXTERNAL AUDITOR

The Audit Committee has responsibility for recommending the appointment of and deciding the remuneration of the Group's external auditor and satisfying itself that they maintain their independence regardless of any non-audit work performed by them.

The Group has a formal policy in place in relation to the engagement of the external auditor to supply non-audit services, which ensures the Group is compliant with the Financial Reporting Council's (FRC's) Ethical Standards. The Group has adopted the FRC's "Whitelist" of permitted non-audit services and, in relation to the provision of such services, the Audit Committee is responsible for approving all non-audit services that are not deemed trivial. The Committee will exercise judgement in making such decisions, specifically with respect to threats to independence and objectivity arising from the provision of such services and the safeguards in place to eliminate or reduce these threats.

BDO was reappointed as the Group's external auditor at the 2025 Annual General Meeting for the financial year which commenced 1 January 2025.

The total fees payable to the Group's external auditor in respect of the year under review amount to £355,000 (FY 24: £388,000). The Committee reviewed the level of non-audit services and fees, which totalled £7,800 in FY 25 (FY 24: £6,200) relating to tax and payroll services. The ratio of audit fees to non-audit fees, in total, is 1:0.02.

The respective responsibilities of the Directors and the external auditor in connection with the Group financial statements are explained in the Statement of Directors' Responsibilities in Respect of the Financial Statements on page 85 and the Independent Auditor's Report on pages 87 to 94.

REVIEW OF EXTERNAL AUDITOR'S EFFECTIVENESS

The Committee reviewed the external auditor's performance and independence for 2025 by considering BDO's qualifications, expertise and resources and by assessing their objectivity on an ongoing basis throughout the year. This was done by considering the following:

- the views of the Executive Directors;
- responses from BDO to questions from the Committee;
- the audit findings reported to the Committee, including BDO's report on internal quality procedures; and
- the relationship with BDO as a whole, to confirm there were no relationships between the external auditor and management of the Company, other than in the ordinary course of business, which could adversely affect independence and objectivity.

The Group has a formal policy for the appointment of former employees of the external auditor, which requires written approval from the Chair, CFO and Chair of the Audit Committee if the Group wishes to hire any employee who has been involved in the audit within the last two years. No such appointments have been made during the year.

Based on the reviews conducted, the Committee is satisfied that the external audit process has operated effectively, that BDO is sufficiently independent of management and that BDO has performed its role as external auditor effectively for the year ending 31 December 2025.

INTERNAL CONTROL AND RISK MANAGEMENT

As explained in more detail in the Risk Management section of the Strategic Report on pages 47 to 52, the Committee supports the Board in reviewing the Group's risk management methodology and managing the Group's risk appetite, considering the effectiveness and integrity of the Company's internal control and risk management systems.

The Group has historically maintained a relatively cautious risk appetite; however, the Board considers each risk on its merits, taking into account its nature, severity of impact and likelihood of occurrence, following the implementation of appropriate internal controls. The Group acknowledges the need to accept a certain level of strategic risk to achieve capital growth for shareholders.

Regular internal control updates are provided to the Committee, which include reviewing and updating the nature and extent of principal risks and uncertainties faced by the Group, as contained in the Group's risk register and sub registers (tax and climate-related risks). This includes assessing the mitigating actions in place and updates to action plans agreed in previous meetings.

The Committee discussed and reviewed the Group's risk register twice in 2025, with key areas of focus including share price and shareholder demographics, global supply chain disruption, the macroeconomic environment, tax compliance and climate change. On each occasion, the Committee concluded that all risks and opportunities had been appropriately identified and mitigating actions implemented where practicable and recommended the Group's risk register to the Board for approval.

AUDIT COMMITTEE REPORT

WHISTLEBLOWING

The Committee ensures that an appropriate Whistleblowing Policy and confidential process are in place, designed to support and encourage employees and other stakeholders to raise concerns regarding conduct within the Group, without fear of recrimination or any disadvantage. The policy reflects the Group's commitment to high standards of honesty, integrity and accountability and promotes a culture of openness by enabling stakeholders to report any misconduct, malpractice, illegality, wrongdoing or similar concerns via the Group's 24-hour whistleblowing portal.

During the year, the policy was reviewed by the Committee and re-approved by the Board to ensure continued compliance with best practice and alignment with our businesses and ways of working.

Summaries of any whistleblowing reports and resolutions are reported to the Committee. Where a matter is raised, a proportionate investigation is undertaken by independent management with support and guidance from the Committee, if necessary. During the year, no matters were submitted via the whistleblowing process.

INTERNAL AUDIT

On an annual basis, the Committee considers and approves the proposed annual internal audit and risk plan for the full year. The Committee is kept up to date by the CFO and the Group Financial Controller on progress against the Group's internal audit and risk plan.

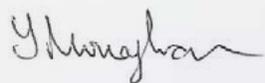
Annually, the Committee considers whether there is a need for a separate internal audit and risk function and makes a recommendation to the Board accordingly. The Group does not currently have a separate internal audit function. Targeted reviews and visits to operations are performed by the Group finance team, which is independent of the business's operations and which comprises wholly of qualified accountants. The team is responsible for reviewing and reporting on the effectiveness of internal controls and risk management systems. This approach is considered appropriate and proportionate for the size of the Group's operations and does not affect the work of the external auditor.

During 2025, the Group's internal audit activity encompassed a range of key financial and operational control areas, with continued emphasis on the effectiveness of the Group's overall risk management and control framework.

RISK AND COMPLIANCE POLICIES

In line with the theme of trust, ethics, transparency and delivery of good corporate governance, the responsibility of the Audit Committee in the management and communication of risks and internal controls extends beyond matters of financial, operational and strategic risk. As such, the Audit Committee considers the Company's attitude towards areas such as ethics, financial crime (including bribery, corruption, fraud and tax evasion), modern slavery and market abuse prevention and ensures that the Group has appropriate policies and processes in place.

For further information on our Group policies, please see page 60 of this Annual Report.



Yvonne Monaghan

Chair of the Audit Committee

16 March 2026



DIRECTORS' REMUNERATION REPORT

Remuneration that promotes long-term growth.

David Moss

Chair of the Remuneration Committee



Dear Shareholder,

I am pleased to present my first Directors' Remuneration Report following my appointment as Chair of the Remuneration Committee in September 2025. On behalf of the Committee, I set out below the Directors' Remuneration Report for the year ended 31 December 2025.

As an AIM-quoted company, this report has been prepared in accordance with the disclosure requirements of AIM Rule 19. The Pebble Group plc is not required to comply with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The information contained within this report is unaudited, except where otherwise stated.

The Remuneration Committee remains committed to maintaining high standards of corporate governance. Our approach to Directors' remuneration, and the transparency of our disclosures, reflect this commitment and are designed to support the long-term success of the Group.

THE REMUNERATION COMMITTEE

The Remuneration Committee has primary responsibility to review and determine the Executive Directors' total individual remuneration packages (including on the granting of share options) to ensure that they are fairly and reasonably rewarded for their individual contributions to the Group's overall performance.

The Committee comprises all four independent Non-executive Directors: David Moss (Chair), Anne de Kerckhove, Yvonne Monaghan, and Markus Bihler and is supported by the Group General Counsel & Company Secretary. The Committee meets at least four times a year to review the remuneration of

“We are committed to high standards of corporate governance and our policy and disclosures on Directors' remuneration reflect this commitment”

the Executive Directors and other senior team members and to address share scheme matters.

When the previous Chair of the Committee, Stuart Warriner, resigned as Non-executive Director on 9 September 2025 as part of a planned resignation, I took over the role of Chair of the Committee. I want to express my gratitude to Stuart for his valued chairmanship of the Committee during his tenure.

Upon his appointment to the Board on 9 September 2025, Markus Bihler was also appointed as a member of the Committee.

REMUNERATION POLICY REVIEW

To ensure that our Remuneration Policy remains appropriate and practical, the Committee's approach to date has been to review one element of remuneration each year. The Committee also considers periodic external comparisons to assess current market trends and practices for comparable roles at similar companies.

In Q2 and Q3 2025, the Committee undertook a formal consultation process with major shareholders in respect of a proposed increase in base salary the Executive Directors' base salaries and a new Long Term Incentive Plan (LTIP). Following that consultation, an amended Remuneration Policy was proposed to shareholders for approval by way of advisory vote at the Company's General Meeting on 7 August 2025. The resolution was duly passed, with 97.24% voting in favour.

In Q4 2025, the Committee further reviewed remuneration practices across the Group and assessed how they support the desired culture and promote the right behaviours and values. The Committee also conducted a detailed review of the all-employee share scheme element of the Remuneration Policy. The Committee noted that participation in existing Group Sharesave

DIRECTORS' REMUNERATION REPORT

Plan (SAYE) schemes was low, suggesting they were of limited appeal to employees across the Group. However, the Committee noted that an all employee share plan remained a potential incentive and a motivation tool for existing participants in the current SAYE schemes and therefore no change to the Remuneration Policy was considered necessary. The Committee does not have any immediate plans to launch a further SAYE scheme at this time but intends to keep this matter under ongoing review.

KEY DECISIONS ON REMUNERATION TAKEN DURING 2025

The following key remuneration decisions were made by the Remuneration Committee during 2025:

- Awards to Executive Directors under the 2024 annual bonus plan were granted subject to financial performance targets based on operating profit (85%) and non-financial performance targets based on ESG performance metrics: customer satisfaction (5%); employee engagement (5%); and ESG and sustainability (5%). The amounts earned are detailed in the report below.
- The performance criteria of the 2022 QCA (with EPS and TSR performance measured over the three years to 31 December 2024) were not achieved, resulting in the 2022 LTIP lapsing with no awards vesting.
- A one-off grant of awards to the Executive Directors under the LTIP was made on 9 September 2025, following shareholder consultation and approval. The value of the LTIP awards and their performance criteria are set out in the report below.
- A further increase in Executive Directors' base salaries was awarded with effect from 1 July 2025, following shareholder consultation. Details of the value and rationale for the increase are set out in the report below.
- A grant of awards to certain senior team members under the LTIP was made on 9 September 2025, comprising conditional share awards or options in respect of Ordinary Shares of the Company.

EVALUATION OF THE EFFECTIVENESS OF THE REMUNERATION COMMITTEE

The Committee used the output from the formal Board Effectiveness Review, detailed on page 59, to review and evaluate its own performance, constitution and terms of reference during Q4 2025. It concluded that the Committee was operating effectively and that no action or changes were required to be recommended to the Board. The terms of reference were re-approved by the Board.

EXTERNAL CONSULTANTS

In making key 2025 decisions, the Committee consulted h2g Remuneration Advisory (h2g) where appropriate to provide advice on best practice and market trends. h2g is a member of the UK Remuneration Consultants Group (RCG) and has confirmed that it complies with the RCG Code. h2g has no other relationship with the Company and the Committee is satisfied that the advice it receives is independent and objective.

h2g advised and assisted the Committee during 2025 in its shareholder consultation process in respect of: a proposed increase in base salary of Executive Directors; a new LTIP for Executive Directors; and a proposed award of conditional share awards or options to certain senior team members.



DIRECTORS' REMUNERATION REPORT

ANNUAL REPORT ON DIRECTORS' REMUNERATION FOR THE YEAR COMMENCING 1 JANUARY 2025

This section of the Directors' Remuneration Report details the Directors' remuneration in 2025.

2025 Executive Directors' base salaries

In reviewing the Executive Director's basic pay for 2025, the Committee considered the terms of the Remuneration Policy, the general remuneration trends across the Group and the long-term best interests of the Group.

With effect from 1 January 2025, the CEO and CFO received a 4% salary increase (to £324,480 and £239,200 respectively), aligned with the Group's cost-of-living increase.

In the Group's 2024 Directors' Remuneration Report (published as part of the Group's 2024 Annual Report in April 2025 and approved at the Company's 2025 AGM) it was explained that the Committee was cognisant of the ongoing need for Executive Directors' remuneration to remain fair and competitive, taking account of: the scope of the Executive Directors' responsibilities, competitive pressures, what was happening elsewhere in the Group and internal relativities. The Committee noted its intention to consider more substantial percentage increases to the Executive Directors' base salaries and to consult with major shareholders before making any changes.

2025 Summary of Directors' total remuneration

NAME	SALARY/FEE	BONUS	LTIP	PENSION	BENEFITS*	TOTAL
Executive						
Christopher Lee	£342,258	£171,060	-	-	£19,749	£533,067
Claire Thomson	£251,982	£125,940	-	£1,856	£19,411	£399,189
Non-executive						
Anne de Kerckhove	£125,000	-	-	-	-	£125,000
Yvonne Monaghan	£50,000	-	-	-	-	£50,000
David Moss	£50,000	-	-	-	-	£50,000
Markus Bihler**	£15,578	-	-	-	-	£15,578
Stuart Warriner***	£34,679	-	-	-	-	£34,679

* car lease and private medical insurance.

** Markus Bihler was appointed as a Director on 9 September 2025.

*** Stuart Warriner resigned as a Director on 9 September 2025.

Accordingly, in Q2 2025, the Committee considered this matter further. The Committee noted that as the Group had evolved, the average salaries of the wider workforce had increased at a rate higher than the cost of living, since roles had required higher salaries to attract and retain the quality of people needed to develop the business. In addition, it was noted that the base salary of some operational leaders had increased such that there was a limited gap, or no gap at all, between their salaries and those of the Executive Directors.

Accordingly, in Q2 2025, the Committee notified its major shareholders (those with a >3% shareholding in the Company at the point of consultation) of its intention to increase the salaries of the Group's CEO and CFO to £360,000 (a total increase of 15.4% from 2024) and £265,000 (a total increase of 15.2% from 2024) respectively. It was explained to consulted shareholders that the proposed increases would result in c.4.85% CAGR increase in Executive Directors' base salaries since IPO, compared to a weighted average across the Group of 6.7% CAGR over the same period.

Following consultation with its major shareholders, the Committee was satisfied that, overall, there was a good level of support for the proposal to increase the Executive Directors' base salaries. After consideration of all feedback, the Committee determined that it was in the best interests of the Company to approve the increases of the salaries of the Group's CEO and CFO to £360,000 and £265,000 respectively, with effect from 1 July 2025 and those salaries were adjusted accordingly.

2024 Summary of Directors' total remuneration

NAME	SALARY/FEE	BONUS	LTIP	PENSION	BENEFITS*	TOTAL
Executive						
Christopher Lee	£312,000	£122,187	£19,812	-	£22,159	£476,158
Claire Thomson	£230,000	£90,074	£14,675	-	£12,143	£346,892
Non-executive						
Anne de Kerckhove**	£38,942	-	-	-	-	£38,942
Yvonne Monaghan	£50,000	-	-	-	-	£50,000
Stuart Warriner	£50,000	-	-	-	-	£50,000
David Moss	£50,000	-	-	-	-	£50,000
Richard Law***	£36,667	-	-	-	-	£36,667

* car lease and private medical insurance.

** Anne de Kerckhove was appointed as a Director on 9 September 2024.

*** Richard Law resigned as a Director on 30 April 2024.

DIRECTORS' REMUNERATION REPORT

2025 ANNUAL BONUS PLAN AWARDS

For 2025, the maximum potential bonus was 100% of base salary. The awards were subject to performance targets set in March 2025 based on a mixture of financial metrics (weighted 85%) and non-financial metrics (weighted 15%). During the year, an overall bonus of 49.98% of salary was achieved for each Executive Director, calculated as below.

Financial metrics (85.0% of salary available, 40.6% achieved)

Operating profit was used as the financial metric for the bonus. The targets against the financial metric are shown in the table below, with the percentage of any bonus payable on a straight-line basis between the threshold and the target and then between the target and the maximum.

PAY OUT TARGET	% SALARY PAYABLE		OPERATING PROFIT
25%	21.3%	Threshold	£6.7m
60%	51.0%	Target	£7.7m
100%	85.0%	Maximum	£8.4m
47.75%	40.6%	Actual	£7.355m

The actual operating profit achieved in FY 25 resulted in a 40.6% bonus (of a maximum of 85%) on annual salary for each Executive Director based on financial metrics.

Non-financial metrics (15.0% of salary available, 9.38% achieved)

A proportion (15%) of the Executive Director's annual bonus plan award was subject to performance against a series of non-financial measures set by the Remuneration Committee in consultation with the Group's Senior ESG Officer.

For 2025, the non-financial metrics were:

- Customer satisfaction (5%), measured by the NPS metric in Brand Addition and Partner Retention Rate metric in Facilisgroup.
- Employee engagement (5%), measured by the score resulting from the annual employee survey within each of Brand Addition and Facilisgroup.
- ESG and Sustainability (5%), measured by reference to Brand Addition's annual Ecovadis score.

The targets for each measure were based on improvement levels from prior years. No bonus was payable for below-threshold performance.

The actual performance achieved in respect of non-financial metrics in FY 25 resulted in an 9.38% bonus (of a maximum of 15%) on annual salary for each Executive Director.

DIRECTORS' REMUNERATION REPORT

LTIP AND SAYE

During the year:

- The Executive Directors exercised their vested options under their 2020 and 2021 LTIP awards.
- Awards granted under the LTIP 2022 were due to vest (on 29 March 2025). The performance criteria over the three-year performance period from 1 January 2022 to 31 December 2024 were not met and, accordingly, the LTIP 2022 lapsed with no awards vesting.
- LTIP awards were granted to the CEO and CFO.

No new SAYE awards were granted during the year. The Executive Directors continue to participate in the 2024 SAYE to the maximum amount offered to staff. The exercise price for the 2025 SAYE awards is 45p per Ordinary Share, representing a 20% discount to the closing market price of 56p per Ordinary Share on 16 September 2024 (being the trading day before the invitation for eligible employees to participate was made).

Awards made to Executive Directors under the LTIP and SAYE plans as at 31 December 2025

The table below summarises all the awards made to the Executive Directors under the LTIP and SAYE plans as at 31 December 2025.

NAME AND AWARD DATE	TYPE	INTEREST AT 31 DECEMBER 2024	GRANTED IN YEAR	EXERCISE PRICE (£)	VESTED	EXERCISED	LAPSED	INTEREST AT 31 DECEMBER 2025	PERFORMANCE PERIOD ENDING
Christopher Lee									
21 December 2020	LTIP	169,506	-	0	0	169,506	0	0	30 June 2023
8 June 2021	LTIP	36,706	-	0	0	36,706	0	0	31 December 2023
29 March 2022	LTIP	280,788	-	0	-	-	280,788	0	31 December 2024
28 March 2023	LTIP	256,410	-	0	-	-	-	256,410	31 December 2025
26 March 2024	LTIP	465,672	-	0	-	-	-	465,672	31 December 2026
11 October 2024	SAYE	41,222	-	0.45	-	-	-	41,222	n/a
9 September 2025	LTIP	-	4,608,000	0	-	-	-	4,608,000	31 December 2027
Claire Thomson									
21 December 2020	LTIP	125,560	-	0	0	125,560	0	0	30 June 2023
8 June 2021	LTIP	27,190	-	0	0	27,190	0	0	31 December 2023
29 March 2022	LTIP	206,897	-	0	-	-	206,897	0	31 December 2024
28 March 2023	LTIP	188,889	-	0	-	-	-	188,889	31 December 2025
26 March 2024	LTIP	343,284	-	0	-	-	-	343,284	31 December 2026
11 October 2024	SAYE	41,222	-	0.45	-	-	-	41,222	n/a
9 September 2025	LTIP	-	3,392,000	0	-	-	-	3,392,000	31 December 2027

DIRECTORS' REMUNERATION REPORT

Performance conditions for the 2023 and 2024 LTIP awards

The performance conditions for the 2023 and 2024 LTIP awards granted to the Executive Directors are as follows:

PERFORMANCE CONDITIONS		2023 AWARD	2024 AWARD
		3 YEARS ENDED 31 DECEMBER 2025	3 YEARS ENDED 31 DECEMBER 2026
70% Cumulative adjusted EPS*	Threshold (25% maximum vesting)	19.5p	15.5p
	Mid-range (60% maximum vesting)	20.6p	16.4p
	Maximum (100% maximum vesting)	21.8p	17.4p
30% Annualised TSR	Threshold (25% maximum vesting)	8.0% pa	8.0% pa
	Mid-range (60% maximum vesting)	11.3% pa	11.3% pa
	Maximum (100% maximum vesting)	15.0% pa	15.0% pa

* Basic adjusted EPS as defined in the LTIP rules, excludes share-based payment charge/credit and amortisation from acquired intangibles.

Performance between these levels is determined on a straight-line basis. Please refer to the Remuneration Policy for details of malus, clawback and Committee discretion applicable to the 2022 and 2023 LTIP awards.

Performance conditions for the 2025 LTIP awards

The Performance conditions for the 2025 LTIP awards granted to the Executive Directors are as follows:

PERFORMANCE CONDITIONS		2025 AWARD
		3 YEARS ENDED 31 DECEMBER 2027
Share Price (Over the last three months of the three-year performance period)	Threshold (25% maximum vesting, subject to achievement of cumulative Adjusted EBITDA condition)	85p
	Mid-range (63% maximum vesting, subject to achievement of cumulative Adjusted EBITDA condition)	115p
	Maximum (100% maximum vesting, subject to achievement of cumulative Adjusted EBITDA condition)	145p
Cumulative Adjusted EBITDA (Over the three-year performance period)	Condition (no vesting unless achieved)	£52.9m

25% of the 2025 LTIP awards will vest subject to the average closing price per Ordinary Share over the final three months of the three-year performance period being 85 pence, rising on a straight-line basis to 100% vesting at 145 pence, conditional upon the Group's cumulative Adjusted EBITDA over the three years ending 31 December 2027 equalling or exceeding £52.9 million. Please refer to the Remuneration Policy for details of malus, clawback and Committee discretion applicable to the 2025 LTIP awards.

The charge/credit for share-based payments is detailed in note 24 to the Group financial statements.

Directors' interests in shares

The interests of the Directors as at 31 December 2025 and 31 December 2024 in the Ordinary Shares of the Company were:

NAME	31 DECEMBER 2025		31 DECEMBER 2024	
	NUMBER	% OF ISSUED SHARES	NUMBER	% OF ISSUED SHARES
Anne de Kerckhove	0	0	0	0
Christopher Lee	6,048,857	4.07%	6,091,515	3.70%
Claire Thomson	2,796,399	1.88%	2,907,243	1.76%
Yvonne Monaghan	55,000	0.04%	55,000	0.03%
David Moss	100,000	0.07%	100,000	0.06%
Markus Bihler*	0	0	n/a	n/a
Stuart Warriner**	n/a	n/a	95,000	0.06%

* Markus Bihler was appointed to the Board on 9 September 2025.

** Stuart Warriner resigned from the Board on 9 September 2025.

DIRECTORS' REMUNERATION REPORT

DIRECTORS' REMUNERATION FOR THE YEAR COMMENCING 1 JANUARY 2026

This section of the Directors' Remuneration Report details the Directors' remuneration for 2026.

Executive Directors' basic pay 2026

In Q1 2026, the Committee considered the terms of the Remuneration Policy, the general remuneration trends across the Group and the long-term best interests of the Group. Accordingly, with effect from 1 January 2026, the CEO and CFO received a salary increase of 4% (from their 1 July 2025 onwards salary), blending the standard cost-of-living increase and weighted average salary increase across the Group's workforce.

NAME	ROLE	BASE SALARY 1 JANUARY 2026	BASE SALARY 1 JULY 2025
Christopher Lee	CEO	374,400	360,000
Claire Thomson	CFO	275,600	265,000

Executive Directors' 2026 annual bonus plan awards

The Executive Directors' annual bonus plan for 2026 will operate in the same way as 2024 and 2025, with performance targets split so that 85% of total award is based on operating profit and 15% of total award is based on non-financial performance metrics, as follows:

- Customer satisfaction (5%), to be measured by the NPS metric in Brand Addition and Partner Retention Rate metric in Facilisgroup.
- Employee engagement (5%), to be measured by the score resulting from the annual employee survey within each of Brand Addition and Facilisgroup.
- ESG and Sustainability (5%), to be measured by reference to Brand Addition's annual Ecovadis score.

No 2026 LTIP awards to Executive Directors

Since the LTIP awards granted to the Executive Directors in 2025 were intended to be one-off awards, it is not planned to make any new LTIP awards to the Executive Directors in 2026.

Other elements of Executive Directors' remuneration in 2026

The other elements of Executive Directors' remuneration (benefits and pension) remain unchanged from prior year and are set out in the Remuneration Policy.

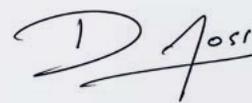
Non-executive Directors

Non-executive Director remuneration is a matter for the Chair of the Board and the Executive Directors and no Non-executive Director was involved in the decision regarding their own remuneration.

As the Non-executive Directors' annual fees had remained static for three years and the Chair's annual fee had remained static since her appointment in September 2024, it was agreed that the Non-executive Directors' and Chair's annual fees would each increase by £5,000 with effect from 1 January 2026 to align with the financial period. This equated to a 10% increase for the Non-executive Directors (equating to a 3.33% annualised increase since prior increase) and a 4% increase for the Chair (equating to a 3.2% annualised since her appointment).

NAME	ROLE	COMMITTEE CHAIR	ANNUAL FEE 2026	ANNUAL FEE 2025
Anne de Kerckhove	Chair of the Group Board	Nomination	£130,000	£125,000
Yvonne Monaghan	Non-executive Director	Audit	£55,000	£50,000
David Moss	Non-executive Director	Remuneration	£55,000	£50,000
Markus Bihler	Non-executive Director	n/a	£55,000	£50,000

I hope you find the report helpful and informative and I look forward to your feedback on the information presented.



David Moss

Chair of the Remuneration Committee

16 March 2026

REMUNERATION POLICY

Balancing fixed and variable remuneration based on short and long term performance.

REMUNERATION POLICY

Remuneration Policy with regard to the Executive Directors

The Committee aims to have a Remuneration Policy that is clear, consistent and easy to understand. Decisions are made with an understanding of best practices and taking into account the specific needs of the Group and its businesses.

The key objectives of the Remuneration Policy are to ensure that the overall Executive Director package:

- is sufficiently attractive to recruit, motivate and retain talented, high-quality executive management with significant technical and strategic expertise;
- underpins an effective pay-for-performance culture;
- ensures that Executive Directors are incentivised and rewarded in a way that is aligned to the Group's purpose, business model and delivery of its medium to long-term growth objectives, which in turn achieves a culture that will support the Group's strategic goals; and
- aligns Executive Director and shareholder interests and promotes the long-term growth of shareholder value.

The Committee aims to achieve an appropriate balance between fixed and variable remuneration and between variable remuneration based on short-term and longer-term performance.

To that end, the Remuneration Policy includes both fixed and variable remuneration elements as follows:

- fixed remuneration includes base salary and benefits; and
- variable remuneration includes annual performance-related bonus and awards under an LTIP.

In addition to this, the Executive Directors are required to build and maintain a minimum shareholding in the Company's shares.

The policy on each element of remuneration and how it currently operates is detailed in the 'Elements of remuneration' table on the following pages.

The structure of Executive Director remuneration is in line with that of many established UK quoted companies, balancing fixed remuneration, annual bonus and long-term performance share awards.

The Committee believes that there is a clear link between variable pay and positive financial performance that is aligned with the Group's business model and growth strategy. It also believes that a variable pay structure drives positive operational performance and the right culture, given the introduction of non-financial performance metrics. The Committee considers all performance metrics to be stretching and aligned with the Group's purpose.

The link between remuneration outcomes and long-term growth in shareholder value is primarily through the LTIP.

REMUNERATION POLICY

ELEMENTS OF REMUNERATION

ELEMENT	LINK TO REMUNERATION POLICY/STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE METRIC
Base salary	To recruit, motivate and retain high-performing Executive Directors. Reflects the individual's experience, role and importance to the business.	Base salary is typically set annually with effect from 1 January with reference to each Executive Director's performance and contribution during the year, Company performance, the scope of the Executive Director's responsibilities and consideration of competitive pressures.	There is no prescribed maximum annual base salary or salary increase. The Committee is guided by the general increase for the broader employee population but has discretion to determine a lower or higher increase.	The Committee considers individual and Company performance when setting base salary.
Benefits	To recruit, motivate and retain high-performing Executive Directors. To provide market-competitive benefits.	Benefits are in line with those offered to other senior team members and may include medical expense coverage and life insurance coverage. The CEO and CFO receive permanent health insurance cover and a company car, the value of which is equivalent to 5% of base salary per annum. The company car is provided to Executive Directors as an alternative to an employer's pension contribution.	No maximum potential value other than the company car, the value of which is capped at 5% of base salary per annum, was provided as an alternative to an employer's pension contribution.	None.
Pension	To help recruit and retain high-performing Executive Directors. To provide market-competitive pensions.	Employer's pension contribution or a cash supplement. The CEO and CFO have opted to take a company car contribution as an alternative to an employer's pension contribution.	5% of base salary, which is aligned with the maximum pension contribution made by the Company to its UK workforce.	None.
Annual bonus plan	To motivate, incentivise and reward performance in a way that is aligned with the Company's business model and growth strategy and in a way that supports the desired culture of the Group. To align the interests of the Executive Directors and shareholders in the short and medium term.	The annual bonus is earned by the achievement of one-year performance targets set by the Remuneration Committee. The parameters, performance criteria, weightings and targets are ordinarily set at the start of each financial year. Payments are made in cash following completion of the year, subject to the Committee's assessment of performance against targets and other matters it deems relevant. Awards are subject to malus and clawback provisions.	The maximum bonus opportunity for the CEO and CFO is 100% of base salary each year.	Performance measures may include financial, non-financial, personal and strategic objectives. Performance criteria and weightings may be changed from year to year. For 2025, performance targets were based on operating profit (85%) and three ESG performance metrics: customer satisfaction (5%), employee engagement (5%), and ESG sustainability (5%). For 2026, the performance targets will follow the same structure as 2025.
LTIP	To incentivise and reward long-term growth, performance and shareholder value creation. To align the interests of Executive Directors and shareholders in the long term.	Executive Directors are eligible to receive awards under the LTIP at the discretion of the Committee. The awards are granted as nil-cost options to acquire Ordinary Shares. Awards are usually made annually. However, due to the one-off LTIP award issued to the Executive Directors in 2025, no further LTIP awards are anticipated to be issued until after the expiration of the performance period of that award. Performance is measured over three years.	The maximum LTIP opportunity for the CEO and CFO is typically 100% of base salary each year. However, under the one-off LTIP award issued to the Executive Directors in 2025, the maximum opportunity for the CEO and CFO was 4,608,000 and 3,392,000 Ordinary Shares of £0.01 each of the Company respectively. The 2025 awards are subject to an aggregate value cap of £20 million. An amendment to the Remuneration Policy to effect the 2025 LTIP was approved by shareholders at the Company's General Meeting in August 2025.	Prior to 2025, performance targets were based on basic adjusted earnings per share (EPS) and total shareholder return (TSR). For the 2025 LTIP, performance is measured by absolute share price growth over the three-year performance period (with an 85p share price minimum threshold). Awards are also conditional on achievement of the Group's cumulative Adjusted EBITDA over the three years ending 31 December 2027 equalling or exceeding £52.9 million.

REMUNERATION POLICY

ELEMENT	LINK TO REMUNERATION POLICY/STRATEGY	OPERATION	MAXIMUM OPPORTUNITY	PERFORMANCE METRIC
All employee share plan	To encourage all eligible employees to make a long-term investment in the Company's shares in a tax-efficient way and foster alignment with shareholders by building shareholdings in the Company.	The Executive Directors may participate in the SAYE on the same terms as other eligible employees.	The maximum participation level will be aligned to HMRC limits.	None.
Shareholding requirement	Encourages Executive Directors to achieve the Company's long-term strategy and create sustainable stakeholder value. Aligns with shareholder interests.	200% of base salary. The shareholdings of the CEO and CFO are currently well in excess of this guideline.	-	-
Non-executive Director remuneration	To provide fees appropriate to the time commitments and responsibilities of each role.	Non-executive Directors are paid a base fee in cash. Fees are reviewed periodically. In addition, reasonable business expenses may be reimbursed.	The Board is guided by the general increase for the broader employee population and takes into account relevant market movements.	-

Discretion under the LTIP Rules

Under the Rules of the Pebble Group plc Long Term Incentive Plan (Rules), the level of vesting of an LTIP award may be adjusted upwards or downwards (including, for the avoidance of doubt, to nil) after the application of any performance target and/or any other conditions if in the Committee's opinion: (a) the level of vesting resulting from the application of the performance target and/or any other conditions is not a fair and accurate reflection of the performance of the Company, and/or (b) the level of vesting resulting from the application of the performance target and/or any other conditions is not a fair and accurate reflection of the performance an award holder, and/or (c) there is any other factor or there are any other circumstances which would make the level of vesting resulting from the application of the performance target and/or any other conditions inappropriate without adjustment.

Malus and clawback

Both the annual bonus and LTIP awards are subject to malus and clawback provisions covering two years. Reasons for malus and clawback being applied would include: material misstatement in audited results, discovery of errors or inaccuracies in the assessment of any performance condition, fraud or gross misconduct, and events or behaviour which lead to the censure of the Group by a regulatory authority or have a significant detrimental impact on the reputation of the Group. These elements of the Rules remain unchanged since their adoption by the Board in November 2019.

Remuneration of employees below the Board

Employees below the Board receive base salary and benefits and are eligible for an annual bonus. Certain senior team members are also invited to participate in an LTIP.

Pay and conditions across the Group are considered when setting the remuneration policy. The Committee does not consult other employees when setting Executive Director remuneration.

Shareholder consultation

The Committee's policy is to consult with major shareholders in respect of significant decisions on Executive Director remuneration.

The Chair of the Remuneration Committee is available to investors regarding the Company's approach to remuneration and attends the AGM. The Directors' Remuneration Report and the Remuneration Policy will be put to advisory votes at the upcoming AGM in 2026.

Executive Directors' service contracts and payments for loss of office

The Executive Directors have rolling service contracts dated 28 November 2019 with an indefinite term, but a fixed period of 12 months' notice of termination. Our approach to remuneration in each of the circumstances in which an Executive Director may leave is determined by the Remuneration Committee in accordance with the rules of any applicable scheme.

Non-executive Directors' letters of appointment

The Non-executive Directors do not have service contracts; instead, they hold letters of appointment. One Non-executive Director has a letter of appointment for their third three-year term from 28 November 2022, while three Non-executive Directors have letters of appointment for their initial three-year term from 22 June 2023, 9 September 2024 and 9 September 2025 respectively. Each has a three-month notice period.

Consideration of new Executive Directors or senior executives

When recruiting or promoting any senior executive, we seek to apply consistent policies on fixed and variable remuneration components in line with the Remuneration Policy set out above. This helps ensure that any new Executive Director or senior executive is on the same remuneration footing as existing Executive Directors or senior executives, while also considering the individual's skills and experience, the market rate for a candidate of that experience and the importance of securing the relevant individual.

NOMINATION COMMITTEE REPORT

Further strengthening our leadership.

Dear Shareholder,

I am pleased to present the Nomination Committee Report for the year ended 31 December 2025.

COMPOSITION OF THE NOMINATION COMMITTEE

I am Chair of the Committee, which currently comprises our four independent Non-executive Directors: myself, Yvonne Monaghan, David Moss, and Markus Bihler. The Group General Counsel & Company Secretary supports the Committee.

Before his resignation as Non-executive Director on 9 September 2025, Stuart Warriner served as a member of the Committee. I want to express my gratitude to Stuart for his valued membership of the Committee during his tenure.

Markus Bihler was appointed as a member of the Committee with effect from the same date.

The Committee typically meets three times per year and the CEO and CFO attend the meetings. In 2025, there were four meetings, all with full attendance, as shown in the attendance table on page 57.

RESPONSIBILITIES OF THE NOMINATION COMMITTEE

Throughout the year, the Committee continued to fulfil its duties on behalf of the Board. It has an established, structured agenda and the Committee's responsibilities are defined by the terms of reference, which are available on the Company's website.

These include primary responsibility for:

- the regular review of Board structure, size, diversity and composition;
- the evaluation of the balance of skills, knowledge, experience and independence on the Board;
- leading the process for Board appointments and identifying and nominating for approval candidates to fill vacancies, as and when they arise;
- leading on, and being responsible for, the Group's DEI Policy, objectives and strategies;
- overseeing succession planning for the Board and senior executives and championing talent identification and development; and
- reviewing the time commitment required from Non-executive Directors.

The Nomination Committee reports to the Board on all these matters.

“During the year, the Committee’s primary focus was the appointment of a new Non-executive Director”

Anne de Kerckhove

Chair of the Nomination Committee
Independent Non-executive Chair

EVALUATION OF THE EFFECTIVENESS OF THE NOMINATION COMMITTEE

To ensure it operates at maximum effectiveness, the Committee used output from the Board Effectiveness Review detailed on page 59 to evaluate its own performance and constitution. It concluded that the Committee performed well and effectively over 2025, with no action or changes required to be recommended to the Board.

NON-EXECUTIVE DIRECTOR APPOINTMENT

During the year, the Committee's primary focus was the appointment of a new Non-executive Director.

The Committee utilised the established Board Appointment Process to strengthen the Board's technology and investor expertise with its recommendation to the Board of the appointment of Markus Bihler as a Non-executive Director.

Markus brings to the Board extensive leadership experience in the global investment and technology sectors, deep expertise in private equity, hedge funds and capital markets and a proven track record in scaling high-growth businesses internationally.

Markus' appointment was arranged to coincide with the planned resignation of Stuart Warriner in September 2025, ensuring seamless continuity of Non-executive Director participation on the Board and its Committees.

The appointment of Markus involved:

- the full consideration of the required role following completion of a 'Needs Analysis' and preparation of a formal role profile;
- the initiation of a search led by the Chair, with close involvement from the CEO;
- the appointment of a professional recruitment consultant with specialist expertise to run the search on behalf of the Company – the Committee confirmed that there was no connection between the Company and the external recruitment consultant used;
- following the Group's Board Appointment Process, including the consideration of merit against objective criteria and use of a competency matrix which also had due regard to the Group's DEI commitments and the benefits of diversity on the Board;
- undertaking due diligence on conflicts, referencing and verification; and
- the nomination of a preferred candidate to the Board for approval.

NOMINATION COMMITTEE REPORT

SUCCESSION PLANNING, INTERNAL TALENT IDENTIFICATION AND DEVELOPMENT

In 2025, continued attention was given to succession planning and the identification and development of internal talent. This included:

- a review of required leadership skills across the Group and a focus on future Non-executive Director succession;
- the review and update of succession plans for the Board and each of Facilisgroup's and Brand Addition's senior leadership teams; and
- the re-approval of the formal Group succession planning process.

Board Appointment Process

In Q4 2025, the Committee reviewed and re-approved the Board Appointment Process following its use during the year. The Committee satisfied itself that the process was robust, rigorous and transparent and that it aimed to work hand in hand with the Group's DEI Policy.

Review of Board structure, size, diversity and composition and Non-executive Director skills matrix

During the year, the Committee reviewed the structure, size, diversity and composition of the Board, as well as the Non-executive Director skills matrix.

This activity included:

- the conclusion that the Board was of a suitable size given the Group's stage of development;
- the evolution of the Non-executive Director skills matrix to add two new strategically important skills and reflect improved coverage following the appointment of Markus Bihler;
- a consideration of the Executive Director to Non-executive Director balance and conclusion that the level of independent challenge brought to the decision-making process was appropriate; and
- the identification of skills and expertise that would be advantageous for further ongoing development of the Directors' skillsets.

REVIEW OF THE BOARD EFFECTIVENESS REVIEW PROCESS

During the year, the Committee conducted its annual review of how the Board Effectiveness Review process could be evolved. The Committee concluded the following:

Review process

The Committee was satisfied that using its existing digital platform to facilitate and present the results of the Board Effectiveness Review worked well. The Committee assessed the use of an external, independent third-party facilitator, particularly in light of the expectations set by Principle 8 of the QCA Code. It concluded that an

internal process remained appropriate and effective at this time, given the size, nature and complexity of the Board and its Committees, the stage of the Group's development and the cost implications. It was agreed that this would be reconsidered in advance of each future review.

Assessment criteria

The Committee evaluated whether the current assessment topics and criteria adequately linked to the Group's needs and objectives and covered stakeholder interests, concluding that they reflected the right priorities and stakeholder interests.

The Committee initiated the review process in Q4 2025. Please see page 59 for further details.

ANNUAL REVIEW OF MEMBERSHIP OF ALL COMMITTEES AND TERMS OF REFERENCE

Upon his appointment, Markus Bihler was appointed as a member of the Audit Committee, Nomination Committee and Remuneration Committee.

David Moss was also appointed as a member of the Audit Committee with effect from 30 September 2025.

In Q4 2025, the Committee undertook its annual review of Committee membership and time requirements of Non-executive Directors. The Committee concluded that the Committees were well represented and that

refreshment was appropriate, with all Non-executive Directors now sitting on all Board Committees.

The Committee was satisfied that all Non-executive Directors continued to dedicate sufficient time to properly discharge their duties.

The Committee also undertook its annual review and re-approval of the Committee's terms of reference. These are available on the Company's website.

DIRECTOR ELECTIONS IN 2026

As Markus was appointed to the Board in September 2025, he will stand for election at the 2026 AGM.

All other Directors, including myself, also intend to stand for re-election.



Anne de Kerckhove

Chair of the Nomination Committee

16 March 2026

DIRECTORS' REPORT

Directors' report.

For the year ended 31 December 2025

The Directors present their report together with the audited Group financial statements of The Pebble Group plc (the Company) for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES AND BUSINESS OVERVIEW

The Company is incorporated and domiciled in the UK with company number 12231361 and with its registered office address at Broadway House, Trafford Wharf Road, Trafford Park, Manchester, United Kingdom M17 1DD. The Company is a public limited company admitted to trading on the AIM market of the London Stock Exchange.

The principal activities and business overview of the Group are set out on pages 01 to 04 and 10 to 14 within the Strategic Report, which is incorporated by reference and forms part of this Directors' Report.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A review of the performance of the Company during the year, including principal risks and uncertainties, key performance indicators and comments on likely future developments in its businesses is given in the Strategic Report on pages 01 to 04, 10 to 43 and 47 to 52.

RESULTS AND DIVIDENDS

The Group recorded revenue in the year of £124.7m (FY 24: £125.3m) and profit after tax of £5.4m (FY 24: £6.4m). No interim dividend has been paid in the year (FY 24: 1.85 pence per share as final dividend).

The Board is proposing the payment of a final dividend of 2.00 pence per share for FY 25 (FY 24: 1.85 pence), a distribution totalling £3.0m (FY 24: £3.0m), payable on 11 May 2026, subject to shareholder approval, to those shareholders on the register of members on 16 April 2026. The shares will trade ex-dividend on 16 April 2026.

FINANCIAL RISK MANAGEMENT

Information relating to the principal risks and uncertainties of the Group has been included within the Strategic Report on pages 47 to 52. Further information on the Group's financial risk is included in note 23 to the Group financial statements.

SHARE BUYBACK

During the year, the Company bought back Ordinary Shares through market purchases on the London Stock Exchange and subsequently cancelled 5,405,908 Ordinary Shares under its share buyback programme launched by the Group on 1 May 2024. These purchases, together with those made in the prior year (2,674,539), resulted in the repurchase of 4.8% of the Company's issued share capital at the start of the programme. The programme concluded on 3 June 2025.

During the year, the Company also completed a tender offer pursuant to the authority granted by shareholders at the Company's General Meeting of 7 August 2025, resulting in the purchase of 10,655,737 ordinary shares, representing 6.7% of the issued share capital at that date. The shares acquired were cancelled, in line with the Board's policy on distributions and purchase of own shares and after due consideration of the Group's ongoing capital and liquidity requirements.

During the year, the Group's Employee Benefit Trust (EBT) made market purchases of 1,257,126 Ordinary Shares in the Company to satisfy awards granted under the Group's employee share plans. At 31 December 2025, the Trust held 1,346,208 Ordinary Shares, which are accounted for as a deduction from equity.

Further details relating to share capital are set out in note 21 to the financial statements.

GOING CONCERN

The Group meets its day-to-day working capital requirements through its own cash balances and committed banking facilities. The Group refinanced its £10m revolving credit facility in February 2025 for a four-year period to February 2029. In assessing the appropriateness of adopting the going concern basis in the preparation of these financial statements, the Directors have prepared cash flow forecasts and projections up to 31 December 2027. The Directors have considered the principal risks and uncertainties with respect to their assessment, none of which in the opinion of the Directors give rise to specific risk to the going concern basis of the operating segments or Group.

The forecasts and projections, which the Directors consider to be prudent, have been further sensitised by applying reductions to revenue growth and margin, to consider a severe but plausible downside. Under both the base and sensitised case, the Group is expected to have headroom against covenants, which are based on interest cover and net leverage and a sufficient level of financial resources available through existing facilities when the future funding requirements of the Group are compared with the level of committed available facilities. In addition, the Directors have prepared a severe downside scenario to determine the level of revenue decline required for the Group to breach a covenant. The analysis demonstrates that revenue would need to fall by 22% from forecast levels with no remedial action for this to occur. Even in this extreme scenario, the Group would retain sufficient liquidity to meet its obligations and continue operations beyond 31 December 2027.

Based on this, the Directors are satisfied that the Group has adequate resources to continue in operational existence for at least 12 months from the date of signing the financial statements. For this reason, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

DIRECTORS' REPORT

DIRECTORS AND THEIR INTERESTS

The Directors of the Company who were in office during the year and up to the date of signing the Group financial statements were:

- Anne de Kerckhove
- Christopher Lee
- Claire Thomson
- Yvonne Monaghan
- David Moss
- Markus Bihler (appointed on 9 September 2025)
- Stuart Warriner (resigned on 9 September 2025)

In accordance with the Articles of Association, one-third of the Board is required to stand for re-election at the forthcoming AGM and any Director who has not been re-elected at one of the two previous AGMs is to be proposed for re-election. However, to align with best practice, the Board has again decided that all Directors will retire and seek re-election by the Company's shareholders at the 2026 AGM. The Directors confirm that, following a performance evaluation, each Director continues to contribute and demonstrate commitment to their role.

The Directors who held office during the year and as at 31 December 2025 had the interests in the Ordinary Shares of the Company as shown in the table on page 74.

In addition to the interest in Ordinary Shares shown in the table on page 74, the Group operated an LTIP for senior executives in 2025, under which awards may be granted over the Ordinary Shares in the Company. The maximum number of Ordinary Shares which could be issued to Directors in the future under LTIP awards as at 31 December 2025 is shown below.

NAME OF DIRECTOR	NUMBER
Christopher Lee	5,330,082
Claire Thomson	3,924,173

The Group also operates a SAYE for all employees, which Executive Directors may elect to participate in. The maximum number of Ordinary Shares which could be issued to Directors in the future under SAYE awards as at 31 December 2025 is shown below.

NAME OF DIRECTOR	NUMBER
Christopher Lee	41,222
Claire Thomson	41,222

The market price of the Company's shares at the end of the financial year was 43.5p (31 December 2024: 45.5p) and the range of market prices during the year ended 31 December 2025 was between 34.0 and 59.5p.

Further details of related party transactions with Directors are provided in note 25 to the Group financial statements.

DIRECTORS' INSURANCE

The Company maintains Directors' and Officers' liability insurance for the Directors, which was in force during the full year 2025 and remains in force as at the date of this Annual Report.

SIGNIFICANT SHAREHOLDINGS

Please see details of our major shareholders on the Company's website.

EMPLOYEE ENGAGEMENT STATEMENT

The 'Employees' section on page 16 of the Strategic Report, summarises how the Board systemically engages with, consults with, and provides relevant information to, employees to ensure that they are aware of the financial and economic factors affecting the Group's performance.

Pages 18 and 19 of the Strategic Report provide examples of how our Directors had regard to the interests of the Group's employees when the Board made its decisions during the year.

Those sections are incorporated by reference and form part of this Directors' Report.

The Group recognises its responsibility to employ disabled persons in suitable employment. It gives full and fair consideration to such persons, including any employee who becomes disabled, having regard to their particular aptitudes and abilities. Where practicable, disabled employees are treated equally with all other employees in respect of their eligibility for training, career development and promotion. For further information on the Group's DEI Policy, please see pages 28 and 29.

DIRECTORS' REPORT

STATEMENT ON ENGAGEMENT WITH OTHER STAKEHOLDERS

The Our Stakeholders and Section 172 section of this Annual Report, on pages 15 to 19, summarises how our Directors have had regard to the need to foster other stakeholder relationships and the effect of that regard, including on the principal decisions taken by the Group and its businesses during the financial year.

That section is incorporated by reference and forms part of this Directors' Report.

POLITICAL DONATIONS

It is the Company's policy not to make political donations. The Directors confirm that no donations for political purposes were made during the year (FY 24: nil).

SHARE CAPITAL AND VOTING.

The Company has one class of equity share, 1 pence Ordinary Shares, with full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable. The rights and obligations attaching to these shares are governed by the Companies Act 2006 and the Company's Articles of Association.

As at 31 December 2025, the Company's issued share capital comprised: 148,714,709 Ordinary Shares of 1 pence.

SHAREHOLDERS' AUTHORITY FOR THE PURCHASE BY THE COMPANY OF ITS OWN SHARES

At the 2025 AGM, shareholders authorised the Company to make market purchases of up to a maximum number of Ordinary Shares of 16,112,332, which represented approximately 10% of the Company's issued Ordinary Share capital as at 24 April 2025 (the latest practicable date before publication of the 2025 Notice of Annual General Meeting).

At the Company's General meeting of 7 August 2025, shareholders subsequently authorised the Company to undertake a tender offer to purchase up to 10,655,737 Ordinary Shares, representing approximately 6.69% of the Company's then-issued share capital. All 10,655,737 Ordinary Shares were purchased and subsequently cancelled by the Company.

At the Company's 2026 AGM, the Directors intend to seek renewal of the authority of the Company to make market purchases of approximately 10% of the Company's current issued Ordinary Share capital. Further details will be given in the 2026 Notice of Annual General Meeting.

APPOINTMENT AND REPLACEMENT OF DIRECTORS AND CHANGES TO THE CONSTITUTION

Rules governing the appointment and replacement of Directors and those relating to the amendments of the Company's Articles of Association are contained within the Articles of Association. The Articles of Association are available on the Company's website.

NOTICE OF ANNUAL GENERAL MEETING

Details of business to be conducted at this year's AGM are contained in the Notice of Annual General Meeting which will be communicated to shareholders separately.

It is the opinion of the Directors that the passing of these resolutions is in the best interest of the shareholders.

CORPORATE GOVERNANCE

The Company adheres to the QCA Corporate Governance Code 2023. Our governance structure and the Group's statement on corporate governance can be found in the Corporate Governance section of this Annual Report on pages 53 to 85, which is incorporated by reference and forms part of this Directors' Report. It can also be found on the Company's website.

RESEARCH AND DEVELOPMENT

Information relating to research and development carried out by the Group in relation to products and services can be found in the Chief Financial Officer's Review on pages 44 to 46, which is incorporated by reference and forms part of this Directors' Report.

LIKELY FUTURE DEVELOPMENTS IN THE GROUP'S BUSINESS

Likely future developments in the Group's business are covered in the Chief Executive Officer's Review on pages 07 to 09, which is incorporated by reference and forms part of this Directors' Report.

BRANCHES

The Group has a number of global subsidiaries, as listed in note 8 to the Company financial statements, but has no branches outside the UK.

FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements that involve risk and uncertainties. The Group's actual results could differ materially from those estimated or anticipated in the forward-looking statements as a result of many factors. Information contained in this Annual Report relating to the Company should not be relied upon as a guide to future performance.

DIRECTORS' REPORT

EVENTS AFTER THE END OF THE FINANCIAL YEAR

No events were occurring after the balance sheet date that require disclosure in accordance with IAS 10 'Events after the reporting period'.

GREENHOUSE GAS EMISSIONS AND ENERGY USE

Our ESG section on pages 20 to 38 contains disclosures of our UK energy use and GHG emissions, as required under the Companies (Directors' Report) and Limited Liabilities Partnerships (Energy & Carbon Report) Regulations 2019.

That section is incorporated by reference and forms part of this Directors' Report.

INDEPENDENT AUDITOR

The Group's external auditor, BDO, have indicated their willingness to continue in office and, in accordance with the Audit Committee's recommendation, a resolution to reappoint BDO as external auditor will be proposed at the upcoming AGM.

Further details of the Audit Committee's selection and appointment process can be found in the Audit Committee Report on pages 65 to 68.

DISCLOSURE OF INFORMATION TO AUDITOR

In the case of each Director:

- So far as the Director is aware, no information is required by the Company's auditor in connection with preparing their audit report, of which the auditor is not aware.
- They have taken all the steps that they ought to have taken as a Director to make themselves aware of any such information and to establish that the auditor is aware of it.

By order of the Board.



Pete Jones

Company Secretary

16 March 2026



STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Statement of Directors' Responsibilities in Respect of the Financial Statements.

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual 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 are required to prepare the Group financial statements in accordance with UK adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WEBSITE PUBLICATION

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.



Claire Thomson

CFO
16 March 2026



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

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 and cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Pebble Group plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise of the following:

GROUP	COMPANY
Consolidated Income Statement	
Consolidated Statement of Comprehensive Income	
Consolidated statement of Financial Position	Company Balance Sheet
Consolidated statement of changes in equity	Company statement of changes in equity
Consolidated cash flow statement	
Notes 1 to 27 to the group financial statements	Notes 1 to 17 to the company financial statements
Material and significant accounting policy information.	

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

The financial reporting framework that has been applied in the preparation of the Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Company's ability to continue to adopt the going concern basis of accounting included:

- Challenging the rationale for the assumptions used in the cash flow forecasts prepared to facilitate the Directors' conclusions related to the use of the going concern basis of accounting, using our knowledge of the business and the sector;
- Assessing the appropriateness of the Directors' forecasts by testing their mathematical accuracy, the accuracy of historical forecasting and challenging the Directors' assumptions within the downside sensitivity analysis and reverse stress testing;
- Reperforming sensitivities on the Directors' base case and downside case scenarios, considering the likelihood of these occurring, and understanding and challenging the mitigating actions the Directors' would take under these scenarios;
- Reviewing and considering the adequacy of the going concern disclosures within the financial statements with reference to the requirements of the applicable financial reporting framework, and assessing the consistency of the disclosures with the Directors' forecasts and going concern assessment; and
- Obtaining and reviewing the Revolving Credit Facility agreement held by the group in order to assess covenants and forecast compliance throughout the going concern period.

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 and the 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Company's ability to continue as a going concern.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

OVERVIEW

	2025	2024
KEY AUDIT MATTERS		
Capitalised Development Costs	✓	✓
Valuation of Investments and Amounts owed by Group undertakings (company only)	✓	✓
MATERIALITY		
<i>Group financial statements as a whole</i> £1,550k (2024: £1,250k) based on 1.25% (2024: 1%) of Revenue		
<i>Company financial statements</i> £1,700k (2024: £2,850k) based on 1.5% (2024: 1.5%) of total assets		

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. We identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components

There are 14 entities within the Group, including the Company, and based on the nature of the entities, and the decentralised nature of the processes and controls of the entities, we deem there to be 13 components. The nature of the entities in the Group are as follows:

- 1 entity is the Company, which holds investments in the other holding entities in the Group;
- 1 entity is dormant and has no financial impact on the financial statements;
- 3 entities are holding companies, and hold investments in the trading entities in the Group; and
- The remaining 9 entities are trading entities, including the Group's main trading entities, being Brand Addition Limited ('Brand Addition UK'), Gateway CDI Inc ('Brand Addition US') and FacilisGroup LLC ('Facilis US').

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following.

COMPONENT	COMPONENT NAME	ENTITY	GROUP AUDIT SCOPE
1	The Pebble Group plc	The Pebble Group plc	Procedures on the entire financial information of the component
2	Brand Addition UK	Brand Addition Limited	Procedures on the entire financial information of the component
3	Brand Addition US	Gateway CDI Inc	Procedures on one or more classes of transactions, account balances or disclosures
4	Facilis US	FacilisGroup LLC	Procedures on one or more classes of transactions, account balances or disclosures
5-13	All other identified components	All other entities 5. Brand Addition GmbH 6. The Pebble Group HoldCo Limited (formerly Project Amber Bidco Limited) 7. Brand Addition Asia Limited 8. Brand Addition (Shanghai) Trading Co Limited 9. Brand Addition Reklam Urunleri Dagitim ve Ticaret Limited Sirketi 10. Brand Addition Ireland Limited 11. Facilisgroup Canada Inc 12. H.I.G Milan Germany Bidco GmbH and H.I.G. Milan UK Bidco Limited 13. The Pebble Group US Bidco Inc.	Risk assessment procedures

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

The Group engagement team has performed all procedures directly and has not involved component auditors in the Group audit.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting in relation to:

- Goodwill and other intangible assets;
- Right of Use Assets and Lease Liabilities;
- Investments;
- Intercompany balance impairment testing;
- Tax balances;
- Expected credit loss provisions;
- Share based payments;
- Consolidation, financial statement preparation and cash flow statement;
- Going concern; and
- Laws and regulations.

We therefore designed and performed procedures centrally in these areas.

The Group operates a decentralised IT function that supports IT processes for each component. The IT functions are subject to specified risk-focused audit procedures, predominantly testing for appropriate design and implementation of the relevant IT general controls and IT application controls.

Locations

The Pebble Group plc's operations are spread over a number of different geographical locations. We visited five out of a total of ten. Our teams conducted procedures in The Pebble Group plc's locations in the United Kingdom (UK), Germany and the United States (US).

In addition, our teams worked remotely, holding calls and video conferences with The Pebble Group plc, and with digital information obtained from Asia.

HOW CLIMATE CHANGE AFFECTED THE SCOPE OF OUR AUDIT

The Group has determined that climate change does not currently have a material impact on its operations. Our work on the assessment of potential impacts of climate-related risks on the Group's operations and financial statements included:

- Enquiries and challenge of management to understand the actions they have taken to identify climate-related risks and their potential impacts on the financial statements and adequately disclose climate-related risks within the annual report;
- Our own qualitative risk assessment taking into consideration the sector in which the Group operates and how climate change affects this particular sector; and
- Review of the minutes of Board and Audit Committee meetings and other papers related to climate change, and performed a risk assessment as to how the impact of the Group's commitment as set out on pages 22 and 23 may affect the financial statements and our audit.

We challenged the extent to which climate-related considerations, including the expected cash flows from the initiatives and commitments have been reflected, where appropriate, in the Directors' going concern assessment.

The management disclosures on pages 20 to 38 form part of the strategic report. Our responsibilities in relation to these disclosures are described in the relevant section of this report and our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained from the audit or otherwise appear to be materially misstated.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

KEY AUDIT MATTER		HOW THE SCOPE OF OUR AUDIT RESPONDED TO THE RISK	KEY AUDIT MATTER		HOW THE SCOPE OF OUR AUDIT RESPONDED TO THE RISK
<p>Capitalised Development costs</p> <p>Refer to "Note 2h – Development costs" within Accounting Policies and "Note 13 – Software and development costs and Work in Progress" within the Intangible Assets</p>	<p>The group capitalised development costs of £4.2 million during the year ended 31 December 2025, of which £3.5 million relates to internally generated costs.</p> <p>Management prepared an accounting paper and used this to justify capitalising such costs.</p> <p>There is a risk that capitalised development cost additions are incorrectly capitalised in the statement of financial position at the reporting date. This can arise where internally generated costs (such as wages and salaries) are incorrectly capitalised in line with IAS 38 Intangible Assets or inaccurately recorded due to inappropriate proportion of time capitalised per staff.</p> <p>Capitalised development costs was therefore determined to be a significant audit risk and a key audit matter.</p>	<p>Our audit procedures performed included the following:</p> <ul style="list-style-type: none"> • Obtaining the paper and project assessment prepared by management in relation to the capitalised development costs and challenged the key assumptions used by the directors to determine if the amounts capitalised were in accordance with IAS 38; • Obtaining the underlying schedules for the capitalised development costs and for a sample of employees, we tested the accuracy of the amounts capitalised to supporting documentation; • Challenging the appropriateness of the internal employee costs capitalised, by reviewing and challenging the roles and responsibilities for a sample of employees per their employment contracts; • Challenging the appropriateness of the proportion of time capitalised per employee through interviews with a sample of employees; and • Evaluating the disclosures included within the financial statements relating to capitalised development costs. 	<p>Valuation of Investments and Amounts owed by Group undertakings (company only)</p> <p>Refer to "Note 2e – Investment in subsidiary undertakings" within Accounting Policies and "Note 8 – Investments" and "Note 9 – Trade and other debtors"</p>	<p>The company has investments in subsidiaries of £50.7m (2024: £50.4m) and gross amounts owed by group undertakings of £62.9m (2024: £72.9m).</p> <p>Given the magnitude of both of these balances, we considered the risk of impairment of these assets.</p> <p>We have therefore assessed the valuation of investments and intercompany receivables to be a key audit matter due to the significance of these amounts and the degree of assumptions, judgment and estimation underpinning the impairment assessment.</p>	<p>Key observations:</p> <p>Based on the procedures performed, we found management's capitalisation policies to be in line with the requirements of applicable accounting standards and the capitalisation of development costs to be appropriate.</p> <p>In assessing the appropriateness of the valuation of investment in subsidiaries and amounts owed by group undertakings, Management prepared a comparison of the overall carrying value of the investment and intercompany receivable to the group's market capitalisation.</p> <p>As the group's market capitalisation was lower than the carrying value of the investment and intercompany receivable at the year end, management identified a trigger for an impairment assessment to be performed.</p> <p>Management performed a value in use calculation and we performed the following procedures:</p> <ul style="list-style-type: none"> • We challenged the assumptions utilised within the model; • We recalculated historic growth rates and EBITDA margins, within management's impairment model;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

KEY AUDIT MATTER	HOW THE SCOPE OF OUR AUDIT RESPONDED TO THE RISK
	<ul style="list-style-type: none"> We challenged management on their assumptions and we were provided with additional sensitivities, which were challenged further through the use of experts, in order to assess the appropriateness of the discount rate utilised within the value in use calculation; and We inspected the results of the two months post year end against forecast for the year to December 2026. <p>Key observations: Based on the above procedures we concluded that no impairment charge is needed in the current year.</p>

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	GROUP FINANCIAL STATEMENTS		COMPANY FINANCIAL STATEMENTS	
	2025	2024	2025	2024
Materiality	£1,550,000	£1,250,000	£1,700,000	£2,850,000
Basis for determining materiality	Set based on 1.25% of Revenue	Set based on 1% of Revenue	Set based on 1.5% of total assets	Set based on 1.5% of total assets adjusted for the impairment charge
Rationale for the benchmark applied	We consider revenue to be the most relevant measure for users of the financial statements.	We consider revenue to be the most relevant measure for users of the financial statements.	We consider total assets to be the most relevant measure for users of the financial statements.	We consider total assets to be the most relevant measure for users of the financial statements.
Performance materiality	£968,000	£875,000	£1,062,000	£2,137,500
Basis for determining performance materiality	62.5% of materiality	70% of materiality	62.5% of materiality	75% of materiality
Rationale for the percentage applied for performance materiality	<p>This was considered appropriate based on:</p> <ul style="list-style-type: none"> Knowledge of the Group, Degree of estimation in financial statements, Historic misstatement levels 	<p>This was considered appropriate based on:</p> <ul style="list-style-type: none"> Knowledge of the Group, Degree of estimation in financial statements, Historic misstatement levels 	<p>This was considered appropriate based on:</p> <ul style="list-style-type: none"> Knowledge of the Company, Degree of estimation in financial statements, Historic misstatement levels 	<p>This was considered appropriate based on:</p> <ul style="list-style-type: none"> Knowledge of the Company, Degree of estimation in financial statements, Historic misstatement levels

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for each component of the Group, based on a percentage of between 67.5% and 90% (2024: 65% and 90%) of Group performance materiality dependent on a number of factors including the size of the component and our assessment of the risk of material misstatement of those components. Component performance materiality ranged from £653,000 to £871,875 (2024: £440,000 to £787,500).

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £77,500 (2024: £50,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the 'Annual Report' other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OTHER COMPANIES ACT 2006 REPORTING

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	<p>In our opinion, based on the work undertaken in the course of the audit:</p> <ul style="list-style-type: none"> the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. <p>In the light of the knowledge and understanding of the Group and Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.</p>
Matters on which we are required to report by exception	<p>We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:</p> <ul style="list-style-type: none"> adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or the 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 in Respect of the Financial Statements statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

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.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

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

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

Non-compliance with laws and regulations

Based on:

- our understanding and knowledge of the Group and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations

we considered the significant laws and regulations to be:

- UK adopted international accounting standards;
- United Kingdom Accounting Standards, including Financial Reporting Standard 102 (The Financial Reporting Standard in the United Kingdom and Republic of Ireland) (United Kingdom Generally Accepted Accounting Practice);
- Companies Act 2006;
- UK and US Tax legislation; and
- AIM Listing Rules.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be:

- health and safety legislation;
- GDPR and data protection legislation; and
- Employment legislation.

Our procedures in respect of the above included:

- Holding discussions with those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation;
- Reviewing minutes of Board meetings of those charged with governance for any instances of non-compliance with laws and regulation;
- Involvement of tax specialists in the audit;
- Review of financial statement disclosures and agreeing disclosures to supporting documentation; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, revenue recognition (revenue recognised before the completion of performance obligations and the completeness of customer rebates) and the capitalisation of development costs.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PEBBLE GROUP PLC

Our procedures in respect of the above included:

- Challenging assumptions and judgements made by management for bias in their significant accounting estimates; in particular, in relation to impairment considerations related to goodwill and other intangibles, the capitalisation of development costs, the fair value of share based payments, and the valuation of investments and intercompany receivables in relation to the Parent Company;
- Identifying and testing journal entries to source documentation, in particular any journal entries posted with unusual revenue account combinations or including specific words in the journal description, to supporting documentation;
- In relation to revenue, we:
 - vouched a sample of revenue recognised in the final month of the year to supporting documentation, confirming the performance obligation was met in the accounting period;
 - to verify existence and accuracy of the customer rebates charge, for a sample of customer rebates we vouched to rebate agreements and performed a recalculation of the amount; and
 - to verify completeness of the customer rebates charge, for a sample of customers with revenue in the year, we obtained their agreement to understand whether a rebate clause exists, and traced to the rebate schedule to verify the balance was complete.
- Incorporating an element of unpredictability into the audit procedures, by testing a sample of immaterial expenses incurred and assets capitalised in the period to supporting documentation to assess validity;
- Holding discussions with those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing minutes of Board meetings for instances of non-compliance with laws and regulation and fraud; and
- Agreeing the financial statement disclosures to underlying supporting documentation.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

USE OF OUR REPORT

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

Daniel Wilbourn (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Manchester, UK
16 March 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Revenue	4	124,659	125,268
Cost of goods sold	5	(67,725)	(69,816)
Gross profit		56,934	55,452
Operating expenses	5	(49,579)	(46,829)
Operating profit		7,355	8,623
Analysed as:			
Adjusted EBITDA ¹		15,819	16,687
Depreciation	14	(2,122)	(2,206)
Amortisation	13	(6,011)	(6,316)
Share-based payment (charge)/credit	24	(331)	458
Operating profit		7,355	8,623
Finance expense	7	(477)	(545)
Profit before taxation		6,878	8,078
Income tax expense	9	(1,500)	(1,712)
Profit for the year		5,378	6,366
Basic earnings per share	10	3.45p	3.83p
Diluted earnings per share	10	3.44p	3.82p

Note 1 Adjusted EBITDA, which is defined as operating profit before depreciation, amortisation and share-based payment (charge)/credit, is a non-GAAP metric used by management and is not an IFRS disclosure.

All results derive from continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 £'000	2024 £'000
Profit for the year	5,378	6,366
Items that may be subsequently reclassified to profit and loss		
Exchange differences on translation of foreign operations	(2,554)	504
Current tax on exchange differences on translation of foreign operations (note 9)	304	-
Other comprehensive (expense)/income for the year	(2,250)	504
Total comprehensive income for the year	3,128	6,870

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	2025 £'000	2024 £'000
Assets			
Non-current assets			
Intangible assets	13	58,724	61,758
Property, plant and equipment	14	5,503	7,123
Deferred tax asset	15	–	285
Total non-current assets		64,227	69,166
Current assets			
Inventories	16	11,141	12,095
Trade and other receivables	17	32,784	30,651
Cash and cash equivalents	18	9,637	16,459
Current tax asset		738	49
Total current assets		54,300	59,254
Total assets		118,527	128,420
Liabilities			
Non-current liabilities			
Lease liability	20	3,457	5,185
Deferred tax liability	15	2,611	1,645
Total non-current liabilities		6,068	6,830
Current liabilities			
Lease liability	20	1,727	1,652
Trade and other payables	19	28,505	28,562
Total current liabilities		30,232	30,214
Total liabilities		36,300	37,044
Net assets		82,227	91,376

	Note	2025 £'000	2024 £'000
Equity			
Share capital	21	1,487	1,648
Share premium	21	78,451	78,451
Own share reserve		(647)	(251)
Capital reserve		313	152
Merger reserve		(103,581)	(103,581)
Translation reserve		(2,951)	(701)
Share-based payment reserve		1,370	1,442
Retained earnings		107,785	114,216
Total equity		82,227	91,376

The notes on pages 99 to 123 are an integral part of these financial statements.

The financial statements on pages 95 to 123 were approved by the Board of Directors and authorised for issue on 16 March 2026, and were signed on its behalf by:



Claire Thomson

Director

16 March 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital £'000	Share premium £'000	Own share reserve £'000	Capital reserve £'000	Merger reserve £'000	Translation reserve £'000	Share-based payment reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2024	1,675	78,451	(227)	125	(103,581)	(1,205)	2,005	111,225	88,468
Profit for the year	-	-	-	-	-	-	-	6,366	6,366
Other comprehensive income for the year	-	-	-	-	-	504	-	-	504
Total comprehensive income	-	-	-	-	-	504	-	6,366	6,870
Dividends paid (note 12)	-	-	-	-	-	-	-	(2,005)	(2,005)
Purchase of own shares (note 21)	(27)	-	-	27	-	-	-	(1,416)	(1,416)
Purchase of own shares by EBT	-	-	(109)	-	-	-	-	-	(109)
Employee share schemes – value of employee services (note 24)	-	-	85	-	-	-	(563)	46	(432)
Total transactions with owners recognised in equity	(27)	-	(24)	27	-	-	(563)	(3,375)	(3,962)
At 31 December 2024	1,648	78,451	(251)	152	(103,581)	(701)	1,442	114,216	91,376
Profit for the year	-	-	-	-	-	-	-	5,378	5,378
Other comprehensive expense for the year	-	-	-	-	-	(2,250)	-	-	(2,250)
Total comprehensive (expense)/income	-	-	-	-	-	(2,250)	-	5,378	3,128
Dividends paid (note 12)	-	-	-	-	-	-	-	(2,963)	(2,963)
Purchase of own shares (note 21)	(161)	-	-	161	-	-	-	(9,042)	(9,042)
Purchase of own shares by EBT (note 21)	-	-	(598)	-	-	-	-	-	(598)
Employee share schemes – value of employee services (note 24)	-	-	202	-	-	-	(111)	196	287
Deferred tax on employee share schemes (note 9)	-	-	-	-	-	-	39	-	39
Total transactions with owners recognised in equity	(161)	-	(396)	161	-	-	(72)	(11,809)	(12,277)
At 31 December 2025	1,487	78,451	(647)	313	(103,581)	(2,951)	1,370	107,785	82,227

The notes on pages 99 to 123 are an integral part of these financial statements.

The Group has an Employee Benefit Trust (EBT) to administer share plans and to acquire shares, using funds contributed by the Group, to meet commitments to employee share schemes. At 31 December 2025, the EBT held 1,346,208 shares (2024: 453,187).

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Profit before taxation		6,878	8,078
Adjustments for:			
Depreciation	14	2,122	2,206
Amortisation	13	6,011	6,316
Share-based payment charge/(credit)	24	331	(458)
Finance expense	7	477	545
Cash flows from operating activities before changes in working capital		15,819	16,687
Change in inventories		867	(285)
Change in trade and other receivables		(2,152)	(635)
Change in trade and other payables		(451)	(293)
Cash flows from operating activities		14,083	15,474
Income taxes paid		(822)	(2,655)
Net cash flows from operating activities		13,261	12,819
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(390)	(203)
Purchase of intangible assets	13	(4,498)	(6,559)
Net cash flows used in investing activities		(4,888)	(6,762)
Cash flows from financing activities			
Lease payments - capital		(1,669)	(1,702)
Lease payments - interest		(298)	(357)
Interest paid		(66)	(86)
Dividends paid	12	(2,963)	(2,005)
Share-based payments - cash-settled		-	(7)
Purchase of own shares	21	(9,042)	(1,416)
Purchase of own shares by EBT	21	(598)	(109)
Net cash flows used in financing activities		(14,636)	(5,682)

	Note	2025 £'000	2024 £'000
Net cash flows		(6,263)	375
Cash and cash equivalents at beginning of year		16,459	15,898
Effects of exchange rate changes		(559)	186
Cash and cash equivalents at end of year	18	9,637	16,459

The notes on pages 99 to 123 are an integral part of these financial statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The principal activity of The Pebble Group plc (the "Company") is that of a holding company and the principal activity of the Company and its subsidiaries (the "Group") is the sale of technology solutions, products and related services to the promotional merchandise industry. The Group has two segments: Brand Addition; and Facilisgroup. For Brand Addition, this is the sale of promotional products internationally, to many of the world's best-known brands. For Facilisgroup, this is the provision of digital technology, consolidated buying power, and community learning and networking events to SME promotional product distributors in North America, its Partners, through subscription-based services.

The Company was incorporated on 27 September 2019 in the United Kingdom and is a public company limited by shares registered in England and Wales. The registered office of the Company is Broadway House, Trafford Wharf Road, Trafford Park, Manchester, England M17 1DD. The Company registration number is 12231361.

Forward-looking statements

Certain statements in this Annual Report are forward looking with respect to the operations, strategy, performance, financial condition and growth opportunities of the Group. The terms "expect", "anticipate", "should be", "will be", "is likely to", and similar expressions, identify forward-looking statements. Although the Board believes that the expectations reflected in these forward-looking statements are reasonable, by their nature these statements are based on assumptions and are subject to a number of risks and uncertainties. Actual events could differ materially from those expressed or implied by these forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, without limitation: general economic conditions and business conditions in the Group's markets, customers' expectations and behaviours, supply chain developments, technology changes, the actions of competitors, exchange rate fluctuations, and legislative, fiscal and regulatory developments. Information contained in these financial statements relating to the Group should not be relied upon as a guide to future performance.

Alternative performance measures

Throughout the Annual Report, we refer to a number of alternative performance measures (APMs). APMs are used internally by management to assess the operating performance of the Group. These are non-GAAP measures and so other entities may not calculate these measures in the same way and hence are not directly comparable. The APMs that are not recognised under UK-adopted International Accounting Standards are:

- Adjusted EBITDA;
- Adjusted operating profit;
- Adjusted profit before tax;
- Adjusted earnings; and
- Adjusted earnings per share (EPS) (note 10).

A reconciliation of the APMs can be found in note 11.

The Board considers that the above APMs provide useful information for stakeholders on the underlying trends and performance of the Group and facilitate meaningful year-on-year comparisons.

2. MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Company financial statements have been prepared under FRS 102. Both financial statements have been prepared on the historical cost basis with the exception of certain items which are measured at fair value as disclosed in the principal accounting policies set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial information is presented in Sterling and has been rounded to the nearest thousand (£'000).

(b) Going concern

The Group meets its day-to-day working capital requirements through its own cash balances and committed banking facilities. The Group refinanced its £10m revolving credit facility in February 2025 for a four-year period to February 2029. In assessing the appropriateness of adopting the going concern basis in the preparation of these financial statements, the Directors have prepared cash flow forecasts and projections up to 31 December 2027. The Directors have considered the principal risks and uncertainties with respect to their assessment, none of which in the opinion of the Directors give rise to specific risk to the going concern basis of the operating segments or Group.

The forecasts and projections, which the Directors consider to be prudent, have been further sensitised by applying reductions to revenue growth and margin, to consider a severe but plausible downside. Under both the base and sensitised case, the Group is expected to have headroom against covenants, which are based on interest cover and net leverage, and a sufficient level of financial resources available through existing facilities when the future funding requirements of the Group are compared with the level of committed available facilities. In addition, the Directors have prepared a severe downside scenario to determine the level of revenue decline required for the Group to breach a covenant. The analysis demonstrates that revenue would need to fall by 22% from forecast levels with no remedial action for this to occur. Even in this extreme scenario, the Group would retain sufficient liquidity to meet its obligations and continue operations beyond 31 December 2027.

Based on this, the Directors are satisfied that the Group has adequate resources to continue in operational existence for at least 12 months from the date of signing the financial statements. For this reason, they continue to adopt the going concern basis in preparing the Group and Company financial statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (continued)

(c) New standards, amendments and interpretations

New and amended standards adopted by the Group

The Group has applied the following amendment for the first time for its annual reporting period commencing 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21).

The amendment listed above does not have any impact on the amounts recognised in prior periods and is not expected to significantly affect current or future periods.

New standards and interpretations not yet adopted

The following standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7);
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7);
- IFRS 18 Presentation and Disclosure in Financial Statements issued; and
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Judgements made by the Directors in the application of these accounting policies that have a significant effect on these financial statements together with estimates with a significant risk of material adjustment in the next year are discussed in note 3.

(d) Basis of consolidation

Subsidiaries are defined as entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date control ceases.

Intercompany transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Employee Benefit Trust (EBT)

The Group established an EBT (The Pebble Group Employee Benefit Trust) on 2 May 2023 to enable shares to be bought in the market to satisfy the demand from share awards under the Group's employee share schemes. The EBT is a separately administered trust and is funded by contributions from Group companies in the form of a loan or a gift. The assets of the trust comprise shares in The Pebble Group plc and cash balances. The assets and liabilities of the EBT will be accounted for by the Group as an extension of its own business and recognised in the Group financial statements and shares held by the trust are recorded in the own share reserve as a deduction from shareholders' equity.

(e) Revenue

Revenue arises from the provision of services through digital technology and a global infrastructure that enables the efficient sale and distribution of products to support corporate marketing activity and consumer promotions of businesses in Europe, North America and Asia.

To determine whether to recognise revenue, the Group follows the 5-step process as set out within IFRS 15:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue is measured at transaction price, stated net of VAT, refunds, customer rebates and other sales related taxes.

Revenue is recognised either at a point in time, or over time as the Group satisfies performance obligations by transferring the promised goods and services to its customers as described below. Variable consideration, in the form of customer rebates, is recognised at a point in time.

Facilisgroup provision of digital technology, consolidated buying power and community learning through subscription-based services

Services are provided through signed annual Partner agreements. There is one distinct performance obligation, being the provision of access to the Facilisgroup network. The transaction price is set on 1 January each year by reference to the previous year's sales volumes and is fixed for the financial year. For new Partners, the transaction price is calculated by reference to forecasted sales for the year the Partner joins. Revenue is recognised over time on a monthly basis as the Partners receive the benefits of being part of the network. Payments are received on a monthly basis as the performance obligations are satisfied over time.

Revenue earned from Preferred Suppliers is recognised over time on a monthly basis in line with orders placed by Partners with these suppliers. Payments are received biannually.

NOTES TO THE GROUP FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (continued)

Brand Addition sale of promotional products

Contracts with customers take the form of customer orders under a framework agreement. There is one distinct performance obligation, being the design, sourcing and distribution of products to the customer, for which the transaction price is clearly identified. Revenue is recognised at a point in time when the Group satisfies performance obligations by transferring the promised goods to its customers, i.e. when control has passed from the Group to the customer. This tends to be on receipt of the product by the customer.

Customer invoices tend to be raised when the goods are despatched and the performance obligation is satisfied. These invoices are shown within trade receivables and payment is usually made within 60 days (being the common payment terms). In cases where the goods have been delivered and an invoice cannot be raised at that time, the income is accrued and presented within other debtors in the statement of financial position. A small number of customers are invoiced in advance and these amounts are deferred and presented within contract liabilities.

(f) Supplier rebates

In the Brand Addition segment, amounts due under rebate agreements are recognised based upon volumes of products purchased during the period to which the rebates relate at the relevant rebate rates, per supplier agreements. Amounts are credited to the cost of purchase of goods for resale and any accrued income is included in other debtors.

(g) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on: the initial recognition of goodwill; the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

A net deferred tax asset is regarded as recoverable, and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Intangible assets

All business combinations are accounted for by applying the purchase method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately, or which arise from legal or contractual rights regardless of whether those rights are separable and are initially recognised at fair value.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment. Other intangibles are stated at cost less accumulated amortisation and accumulated impairment losses.

Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the date of acquisition. Customer relationships have a finite life and are subsequently carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of these assets over their estimated useful lives of 20 years.

Development costs

Research costs are charged to the income statement in the year in which they are incurred and are presented within operating expenses. Internal development costs that are incurred during the development of significant and separately identifiable new technology are capitalised when the following criteria are met:

- it is technically feasible to complete the technological development so that it will be available for use;
- management intends to complete the technological development and use or sell it;
- it can be demonstrated how the technological development will develop probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the product are available; and
- expenditure attributable to the technological product during its development can be reliably measured.

Capitalised development costs include costs of materials and direct labour costs. Internal costs that are capitalised are limited to incremental costs specific to the project.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred and presented within operating expenses, together with any amortisation which is charged to the income statement on a straight-line basis over the estimated useful lives of development intangible assets.

Assets classified as "work in progress" are not amortised as such assets are not currently available for use at the year end. Once available for use, assets will be recategorised and amortised at the rate appropriate to their classification.

NOTES TO THE GROUP FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (continued)

Computer software

Computer software purchased separately, that does not form an integral part of related hardware, is capitalised at cost.

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite and is presented within operating expenses. All intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Customer relationships – 20 years; and
- Software and development costs – 3-5 years.

(i) Impairment losses

The carrying amounts of the Group's assets are tested for impairment. Assets with an indefinite useful life are not depreciated or amortised but are tested for impairment at each reporting date. Assets subject to amortisation/ depreciation and impairment losses are tested for impairment every time events or circumstances indicate that they may be impaired.

Impairment losses are recognised in the income statement based on the difference between the carrying amount and the recoverable amount.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value in use. To determine the value in use, management estimates expected future cash flows and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each asset and reflect current market assessments of the time value of money and asset-specific risk.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics; they have been grouped based on the days past due.

(j) Financial instruments

Financial assets

Financial assets are classified as either measured at amortised cost or measured at fair value through profit or loss. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it

transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. The basis of classification depends on the Group's business model and the contractual cash flow characteristics of the financial asset. The majority of financial assets of the Group are held at amortised cost.

Financial assets include trade and other receivables (excluding prepayments) and cash and cash equivalents. Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Cash and cash equivalents comprise cash balances held in banks.

Non-derivative financial assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Under IFRS 9, the Group applies the simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. In addition, IFRS 9 requires the Group to consider forward-looking information and the probability of default when calculating expected credit losses. The measurement of expected credit losses reflects an unbiased and probability weighted amount that is determined by evaluating the range of possible outcomes as well as incorporating the time value of money. The expected loss rates are based on the payment profiles of sales over the year and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the ability of the customers to settle the receivables.

The Group considers reasonable and supportable customer-specific and market information about past events, current conditions and forecasts of future economic conditions when measuring expected credit losses. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows of the asset, discounted, where material, at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the income statement within operating expenses.

When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement. Only when amounts are confirmed irrecoverable are they written off to the income statement.

Financial liabilities

Financial liabilities are classified as either measured at amortised cost or measured at fair value through profit or loss.

Financial liabilities include trade and other payables (excluding other taxation and social security and contract liabilities) and leases.

Non-derivative financial liabilities are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

NOTES TO THE GROUP FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (continued)

Financial derivatives

The Group uses derivative financial instruments to hedge its exposure to risks arising from operational activities, principally foreign exchange risk. In accordance with the treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. The Group does not hedge account for these items. Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists. At certain times the Group has foreign currency forward contracts that fall into this category.

(k) Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the parent company operates (the "functional currency"). The functional and presentational currency is Sterling.

The functional currency of a subsidiary is determined based on specific primary and secondary factors including the principal currency of the cash flows and the primary economic environment in which the subsidiary operates. Once determined, the functional currency is used and translated for consolidation purposes.

Foreign currency items are translated using the transaction date exchange rate. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate. Foreign currency differences are taken to the income statement. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the transaction date exchange rate.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated at closing rates. The income and expenses of foreign operations are translated at the average exchange rate of the year which approximates to the transaction date exchange rates. Exchange differences arising on consolidation are presented within other comprehensive income.

(l) Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Depreciation is calculated using the straight-line method so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Fixtures and fittings – 3 - 15 years; and
- Computer hardware – 5 years.

(m) Inventories

Inventories are valued at the lower of cost and net realisable value on a First In, First Out basis. Cost comprises purchase price plus associated freight and duty costs for imported goods. Inventories are regularly assessed for evidence of impairment. Where such evidence is identified, a provision is recognised to reduce the value of stock to its selling price after incurring any future costs to sell.

(n) Leases

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

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to restore the underlying asset, less any lease incentives received. Extension and termination options are included in a number of property and equipment leases across the Group and so lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The lease liability is initially measured at the present value of lease payments that were not paid at the commencement date, discounted using the Group's incremental borrowing rate, which is based on the Group's financing facilities, and adjusted where necessary for the specific terms of the lease.

The lease liability is measured at amortised cost using the effective interest method. If there is a remeasurement of the lease liability, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded directly in profit or loss if the carrying amount of the right-of-use asset is zero.

The Group presents right-of-use assets within property, plant and equipment in note 14.

Short-term leases and low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, or leases of low value assets. These lease payments are expensed on a straight-line basis over the lease term. Any expense for short-term and low value leases is not material and has not been presented.

NOTES TO THE GROUP FINANCIAL STATEMENTS

2. MATERIAL ACCOUNTING POLICIES (continued)

(o) Segmental reporting

The Group reports its business activities in two areas being:

- Brand Addition – sale of promotional products through complex services provided under framework contracts on an international basis; and
- Facilisgroup – provision of technology solutions, consolidated buying power and community learning and networking events to SME promotional product distributors in North America through subscription-based services.

This is reported in a manner consistent with the internal reporting to the Executive Directors, who have been identified as the Chief Operating Decision Maker.

(p) Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plans

The Group operates a number of country-specific defined contribution plans for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid, the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are included in other payables within trade and other payables in the statement of financial position. The assets of the plans are held separately from the Group in independently administered funds.

Share-based payments

Equity-settled awards are valued at the grant date and the fair value is charged as an expense in the income statement spread over the vesting period. Fair value of the awards are measured using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model. The fair value of the options, appraised at the grant date, includes the impact of market-based vesting conditions if applicable.

Share-based remuneration is recognised as an expense/credit in profit or loss with the credit/debit side of the entry being recorded in equity.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

(q) Equity, reserves and dividend payments

Share capital

Share capital represents the nominal (par) value of shares that have been issued.

Share premium

Share premium represents the difference between the nominal value of shares issued and the fair value of consideration received. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Own share reserve

Own share reserve represents Ordinary Shares in the Company held by the Employee Benefit Trust set up in 2023 to administer share plans and acquire shares, using funds contributed by the Group, to meet commitments to employee share schemes.

Capital reserve

The capital reserve was created in 2021 as a result of the purchase by the Company of all deferred shares in issue.

Merger reserve

The merger reserve was created as a result of the share-for-share exchange under which The Pebble Group plc became the parent undertaking prior to the Initial Public Offering (IPO). Under merger accounting principles, the assets and liabilities of the subsidiaries were consolidated at book value in the Group financial statements and the consolidated reserves of the Group were adjusted to reflect the statutory share capital, share premium and other reserves of the Company as if it had always existed, with the difference presented as the merger reserve.

Translation reserve

The translation reserve includes foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities.

Retained earnings

Retained earnings includes all current and prior period retained profits and losses. When share capital recognised as equity is repurchased by the Group, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are subsequently cancelled and classified as a deduction in share capital with a corresponding increase in the capital reserve.

All transactions with owners of the parent are recorded separately within equity.

Dividends

Dividends are recognised when approved by the Group's shareholders or, in the case of interim dividends, when the dividend has been paid. No interim dividend has been paid in the year (2024: £nil). The Directors recommend the payment of a final dividend for 2025 of 2.00 pence per share (2024: 1.85 pence per share).

NOTES TO THE GROUP FINANCIAL STATEMENTS

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the preparation of the Group financial statements, the Directors, in applying the accounting policies of the Group, make some judgements and estimates that affect the reported amounts in the financial statements. The areas requiring the use of judgement and estimates that may significantly impact the financial statements are as follows:

(a) Accounting estimates

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Goodwill impairment

The Group tests goodwill for impairment every year in accordance with the relevant accounting policies. The recoverable amounts of cash-generating units are determined by calculating value in use.

Goodwill relates to the various acquisitions made and amounts to £35,807,000 as at 31 December 2025 (2024: £36,015,000). The estimates used in the impairment calculation are set out in note 13. Based on the forecasts prepared, there is not considered to be a significant risk of material adjustment to the carrying amount of the goodwill within the next 12 months. The sensitivities applied are explained in note 13.

Useful economic lives of intangible assets

The Directors have estimated the useful economic lives of the acquired customer intangible assets to be 20 years based upon attrition rates and the Directors' judgement. These lives are reviewed and updated annually. Based on the forecasts prepared, there is not considered to be a significant risk of material adjustment to the carrying amount of the intangible assets within the next 12 months. No reasonable sensitivity performed in relation to the useful economic lives assumption would result in a material change in the carrying value of intangible assets.

In 2024, the Directors made the decision to align the useful lives of certain acquired intangible assets with those that are internally generated. The impact of this change is explained in note 13.

Share-based payment charge/credit

Fair values used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. These fair values are calculated by applying a valuation model, which is in itself judgemental, and takes into account certain inherently uncertain assumptions. The basic assumptions that are used in the calculations are explained further in note 24. No reasonable sensitivity performed in relation to the share-based payment assumptions would result in a material change to the charge/credit in the consolidated income statement.

(b) Accounting judgements

The following are the areas requiring the use of judgement that may significantly impact the Group financial statements:

Capitalisation of internal development costs

Distinguishing the research and development phases of a new customised project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. There is also some judgement required in relation to the proportion of time capitalised for employees working on the development of internally generated intangible assets. After capitalisation, management monitors whether the recognition requirements continue to be met and at what point amortisation should commence, in addition to whether there are any indicators that capitalised costs may be impaired.

Capitalised development expenditure is analysed further in note 13.

4. SEGMENTAL ANALYSIS

The Chief Operating Decision Maker (CODM) has been identified as the Executive Directors. The Directors have determined that the operating segments, based on these financial statements, are:

- Brand Addition – sale of promotional products through complex services provided under framework contracts on an international basis;
- Facilisgroup – provision of technology solutions, consolidated buying power and community learning and networking events to SME promotional product distributors in North America through subscription-based services; and
- Central operations – certain central activities and costs that are not directly related to the activities of the operating segments.

Segment information about the above businesses is presented on the following pages.

The Executive Directors assess the performance of the operating segments based on Adjusted EBITDA and operating profit. Other information provided to the Directors is measured in a manner consistent with that in the financial statements. Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Segment assets exclude centrally held cash at bank and in hand.

Major customers

In 2025, there was one major customer that individually accounted for at least 10% of total revenues (2024: one). In 2025, the revenue relating to this customer was £13,000,000 (2024: £13,787,000) and related to the Brand Addition segment.

NOTES TO THE GROUP FINANCIAL STATEMENTS

4. SEGMENTAL ANALYSIS (continued)

Analysis of revenue by geographical destination

	2025 £'000	2024 £'000
United Kingdom	17,251	18,193
Continental Europe	39,426	41,944
North America	44,088	42,713
Rest of World	23,894	22,418
Total revenue	124,659	125,268

The geographical revenue information above is based on the location of the customer.

Included within Rest of World is £17,141,000 of revenue from China (2024: £18,250,000) and included within Continental Europe is £10,250,000 of revenue from Germany (2024: £9,695,000). No other individual countries represented more than 5% of total revenues and therefore are not considered by management to be individually material.

All £17,157,000 of revenue related to the Facilisgroup segment is included within North America (2024: £17,595,000).

All the above revenues are generated from contracts with customers and are recognised at a point in time or over time as follows:

	2025 £'000	2024 £'000
At a point in time	108,282	108,407
Over time	16,377	16,861
Total revenue	124,659	125,268

All £107,502,000 of revenue related to the Brand Addition segment is recognised at a point in time (2024: £107,673,000).

All non-current assets of the Group reside in the UK, with the exception of non-current assets with a net book value of £27,776,000 (2024: £31,248,000) which were located in North America and £1,721,000 (2024: £2,091,000) located in other foreign countries.

Income statement for the year ended 31 December 2025

	Brand Addition £'000	Facilisgroup £'000	Central operations £'000	Total Group £'000
Revenue	107,502	17,157	–	124,659
Cost of goods sold	(67,725)	–	–	(67,725)
Gross profit	39,777	17,157	–	56,934
Operating expenses	(31,863)	(14,726)	(2,990)	(49,579)
Operating profit/(loss)	7,914	2,431	(2,990)	7,355
Analysed as:				
Adjusted EBITDA	11,380	7,261	(2,822)	15,819
Depreciation	(1,539)	(498)	(85)	(2,122)
Amortisation	(1,891)	(4,120)	–	(6,011)
Share-based payment charge	(36)	(212)	(83)	(331)
Operating profit/(loss)	7,914	2,431	(2,990)	7,355
Finance expense	(244)	(53)	(180)	(477)
Profit/(loss) before taxation	7,670	2,378	(3,170)	6,878
Income tax expense	(957)	(511)	(32)	(1,500)
Profit/(loss) for the year	6,713	1,867	(3,202)	5,378

NOTES TO THE GROUP FINANCIAL STATEMENTS

4. SEGMENTAL ANALYSIS (continued)

Statement of financial position as at 31 December 2025

	Brand Addition £'000	Facilisgroup £'000	Central operations £'000	Total Group £'000
Assets				
Non-current assets				
Intangible assets	37,891	20,833	–	58,724
Property, plant and equipment	3,596	1,764	143	5,503
Total non-current assets	41,487	22,597	143	64,227
Current assets				
Inventories	11,141	–	–	11,141
Trade and other receivables	27,050	5,432	302	32,784
Cash and cash equivalents	8,626	903	108	9,637
Current tax asset	205	533	–	738
Total current assets	47,022	6,868	410	54,300
Total assets	88,509	29,465	553	118,527
Liabilities				
Non-current liabilities				
Lease liability	1,958	1,371	128	3,457
Deferred tax liability/(asset)	580	2,134	(103)	2,611
Total non-current liabilities	2,538	3,505	25	6,068
Current liabilities				
Lease liability	1,426	296	5	1,727
Trade and other payables	25,788	2,016	701	28,505
Total current liabilities	27,214	2,312	706	30,232
Total liabilities	29,752	5,817	731	36,300
Net assets/(liabilities)	58,757	23,648	(178)	82,227

Income statement for the year ended 31 December 2024

	Brand Addition £'000	Facilisgroup £'000	Central operations £'000	Total Group £'000
Revenue	107,673	17,595	–	125,268
Cost of goods sold	(69,816)	–	–	(69,816)
Gross profit	37,857	17,595	–	55,452
Operating expenses	(29,979)	(14,125)	(2,725)	(46,829)
Operating profit/(loss)	7,878	3,470	(2,725)	8,623
Analysed as:				
Adjusted EBITDA	10,771	8,760	(2,844)	16,687
Depreciation	(1,612)	(552)	(42)	(2,206)
Amortisation	(1,499)	(4,817)	–	(6,316)
Share-based payment credit	218	79	161	458
Operating profit/(loss)	7,878	3,470	(2,725)	8,623
Finance expense	(292)	(60)	(193)	(545)
Profit/(loss) before taxation	7,586	3,410	(2,918)	8,078
Income tax expense	(1,094)	(597)	(21)	(1,712)
Profit/(loss) for the year	6,492	2,813	(2,939)	6,366

NOTES TO THE GROUP FINANCIAL STATEMENTS

4. SEGMENTAL ANALYSIS (continued)

Statement of financial position as at 31 December 2024

	Brand Addition £'000	Facilisgroup £'000	Central operations £'000	Total Group £'000
Assets				
Non-current assets				
Intangible assets	38,593	23,165	–	61,758
Property, plant and equipment	4,522	2,373	228	7,123
Deferred tax asset	187	–	98	285
Total non-current assets	43,302	25,538	326	69,166
Current assets				
Inventories	12,095	–	–	12,095
Trade and other receivables	24,649	5,726	276	30,651
Cash and cash equivalents	11,435	1,207	3,817	16,459
Current tax asset	10	39	–	49
Total current assets	48,189	6,972	4,093	59,254
Total assets	91,491	32,510	4,419	128,420
Liabilities				
Non-current liabilities				
Lease liability	3,269	1,788	128	5,185
Deferred tax liability	–	1,645	–	1,645
Total non-current liabilities	3,269	3,433	128	6,830
Current liabilities				
Lease liability	1,311	292	49	1,652
Trade and other payables	25,935	1,954	673	28,562
Total current liabilities	27,246	2,246	722	30,214
Total liabilities	30,515	5,679	850	37,044
Net assets	60,976	26,831	3,569	91,376

5. EXPENSES BY NATURE

	2025 £'000	2024 £'000
Inventory recognised as an expense	60,301	61,145
Other cost of sales	7,424	8,671
Total cost of goods sold	67,725	69,816
Staff costs (note 6)	29,193	27,177
Depreciation of property, plant and equipment (note 14)	2,122	2,206
Amortisation of intangible assets (note 13)	6,011	6,316
Auditor's remuneration (note 8)	370	450
Share-based payment charge/(credit) (note 24)	331	(458)
Foreign exchange loss and movement in foreign exchange derivative contracts (Decrease)/increase in provision for expected credit losses	272	23
Other external charges	(4)	129
Total operating expenses	49,579	46,829
Total cost of goods sold and operating expenses	117,304	116,645

Depreciation and amortisation are charged to operating expenses in the income statement.

6. STAFF COSTS

Personnel costs are analysed below.

	2025 £'000	2024 £'000
Staff costs (including Directors) consist of:		
Wages and salaries	25,669	23,764
Social security costs	2,671	2,565
Other pension costs	853	848
Total staff costs	29,193	27,177

NOTES TO THE GROUP FINANCIAL STATEMENTS

6. STAFF COSTS (continued)

Additional staff costs of £3,474,000 (2024: £5,367,000) have been capitalised as intangible assets (see note 13) as follows:

	2025 £'000	2024 £'000
Wages and salaries	3,146	4,860
Social security costs	239	388
Other pension costs	89	119
Total staff costs	3,474	5,367

Defined contribution scheme

The amount recognised in the income statement as an expense in relation to the Group's defined contribution schemes is £853,000 (2024: £848,000). Included within accruals and other payables is £116,000 (2024: £98,000) for outstanding contributions to the defined contribution schemes.

During the year, the monthly average number of the Group's employees (including Executive Directors and temporary employees) was as follows:

	2025 No.	2024 No.
By function:		
Management	25	21
Sales and distribution	320	312
Administration	171	190
Total employees	516	523

Key management compensation

Key management of the Group is considered to be the Board of Directors. Details of Directors' remuneration is disclosed in the Directors' Remuneration Report on pages 69 to 75. Remuneration paid to these individuals on an aggregated basis is as follows:

	2025 £'000	2024 £'000
Salaries including bonuses	1,084	768
Social security costs	127	98
Short-term benefits	39	34
Share-based payment charge/(credit)	61	(234)
Total remuneration	1,311	666

Key management compensation also includes amounts in respect of the LTIP, as disclosed in the Directors' Remuneration Report on pages 69 to 75.

7. FINANCE EXPENSE

	2025 £'000	2024 £'000
Other interest	179	188
Unwind of discount finance expenses on lease liabilities	298	357
Total finance expense	477	545

8. AUDITOR'S REMUNERATION

	2025 £'000	2024 £'000
Fees payable to the Company's auditor for the audit of The Pebble Group plc	109	185
Fees payable to the Company's auditor in respect of:		
Audit of the Company's subsidiaries	261	265
Total auditor's remuneration	370	450

The above amount includes £15,000 (2024: £60,000) of auditor's remuneration incurred in the current year relating to the previous year's audit. Non-audit related fees of £7,800 (2024: £6,000) were incurred in respect of the current auditor.

NOTES TO THE GROUP FINANCIAL STATEMENTS

9. INCOME TAX EXPENSE

	2025 £'000	2024 £'000
Current income tax		
- UK corporation tax charge for the year	730	994
- Adjustments in respect of prior years	(906)	(170)
- Foreign tax	541	1,362
Total current income tax	365	2,186
Deferred tax		
- Origination and reversal of temporary differences	572	(355)
- Adjustments in respect of prior years	563	(403)
- Changes in tax rates	-	284
Total deferred tax	1,135	(474)
Total income tax expense	1,500	1,712

The expected corporation tax charge for the year is calculated at the UK corporation tax rate of 25% (2024: 25%) on the profit before taxation for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions in which the Group operates.

The charge for the year can be reconciled to the profit in the consolidated income statement as follows:

	2025 £'000	2024 £'000
Analysis of charge in year		
Reconciliation of total tax charge:		
Profit before taxation	6,878	8,078
Profit before taxation multiplied by the rate of corporation tax in the UK of 25% (2024: 25%)	1,720	2,020
<i>Effects of:</i>		
Adjustments in respect of prior years	(343)	(573)
Non-deductible income	(59)	(64)
Differences in tax rates in overseas jurisdictions	182	47
Unrecognised for deferred tax	-	(2)
Impact of rate change on deferred tax	-	284
Total income tax expense	1,500	1,712

Factors that may affect future tax charges

As a Group with worldwide operations, The Pebble Group plc is subject to several factors that may affect future tax charges, principally the levels and mix of profitability in different jurisdictions, transfer pricing regulations, tax rates imposed and tax regime reforms.

Amounts recognised directly in equity

Taxation arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly credited to equity:

	2025 £'000	2024 £'000
Deferred tax: credit relating to employee share schemes – value of employee services	(39)	-
Taxation credited to other comprehensive income:		
Current tax: credit relating to deductible foreign exchange losses	(304)	-

10. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the earnings attributable to equity shareholders by the weighted average number of Ordinary Shares in issue during the year. The difference between the opening number of Ordinary Shares as at 1 January 2025 and the weighted average number of Ordinary Shares in issue during the year is due to shares repurchased under the Group's share buyback programme and tender offer transaction, as detailed in note 21.

For diluted earnings per share, the weighted average number of Ordinary Shares in issue is adjusted to assume conversion of potentially dilutive Ordinary Shares. The Company has potentially dilutive Ordinary Shares arising from share options granted to employees.

Options are dilutive under the Group Sharesave Plan (SAYE), where the exercise price together with the future IFRS 2 charge of the option is less than the average market price of the Company's Ordinary Shares during the year. Options under The Pebble Group plc Long Term Incentive Plan (LTIP), as defined by IFRS 2, are contingently issuable shares and are therefore only included within the calculation of diluted EPS if the performance conditions, as set out in note 24, are satisfied at the end of the reporting period, irrespective of whether this is the end of the vesting period or not.

NOTES TO THE GROUP FINANCIAL STATEMENTS

10. EARNINGS PER SHARE (continued)

The impact of the potentially dilutive share options issued under the LTIP on 29 March 2022, 28 March 2023, 26 March 2024 and 9 September 2025 and the SAYE on 25 April 2023 and 11 October 2024 is: 0.01p (2024: 0.01p) in respect of statutory earnings per share; and 0.01p (2024: 0.01p) in respect of adjusted earnings per share.

Statutory EPS

	2025	2024
Earnings (£'000)		
Earnings for the purposes of basic and diluted earnings per share being profit for the year attributable to equity shareholders	5,378	6,366
Number of shares		
Weighted average number of shares for the purposes of basic earnings per share	156,079,283	166,216,248
Weighted average dilutive effects of conditional share awards	59,603	441,975
Weighted average number of shares for the purposes of diluted earnings per share	156,138,886	166,658,223
Earnings per Ordinary Share (pence)		
Basic earnings per Ordinary Share	3.45	3.83
Diluted earnings per Ordinary Share	3.44	3.82

Adjusted EPS

The calculation of adjusted earnings per share is based on the after-tax adjusted profit after adding back certain costs as detailed in note 11. Adjusted earnings per share figures are given to exclude the effects of amortisation of acquired intangible assets and share-based payment charge/(credit), all net of taxation, and are considered to show the underlying performance of the Group.

	2025	2024
Earnings (£'000)		
Earnings for the purposes of basic and diluted adjusted earnings per share being adjusted earnings (note 11)	6,019	7,693
Number of shares		
Weighted average number of shares for the purposes of basic adjusted earnings per share	156,079,283	166,216,248
Weighted average dilutive effects of conditional share awards	59,603	441,975
Weighted average number of shares for the purposes of diluted adjusted earnings per share	156,138,886	166,658,223
Adjusted earnings per Ordinary Share (pence)		
Basic adjusted earnings per Ordinary Share	3.86	4.63
Diluted adjusted earnings per Ordinary Share	3.85	4.62

11. ALTERNATIVE PERFORMANCE MEASURES (APMs)

Throughout the consolidated financial statements, we refer to a number of APMs. A reconciliation of the APMs used are shown below.

Adjusted EBITDA

	2025 £'000	2024 £'000
Operating profit	7,355	8,623
<i>Add back/(deduct):</i>		
Depreciation	2,122	2,206
Amortisation	6,011	6,316
Share-based payment charge/(credit)	331	(458)
Adjusted EBITDA	15,819	16,687

NOTES TO THE GROUP FINANCIAL STATEMENTS

11. ALTERNATIVE PERFORMANCE MEASURES (APMs) (continued)**Adjusted operating profit**

	2025 £'000	2024 £'000
Operating profit	7,355	8,623
<i>Add back/(deduct):</i>		
Amortisation charge on acquired intangible assets (note 13)	523	2,113
Share-based payment charge/(credit)	331	(458)
Adjusted operating profit	8,209	10,278

Adjusted profit before tax

	2025 £'000	2024 £'000
Profit before tax	6,878	8,078
<i>Add back/(deduct):</i>		
Amortisation charge on acquired intangible assets (note 13)	523	2,113
Share-based payment charge/(credit)	331	(458)
Adjusted profit before tax	7,732	9,733

Adjusted earnings

	2025 £'000	2024 £'000
Profit for the year attributable to equity shareholders	5,378	6,366
<i>Add back/(deduct):</i>		
Amortisation charge on acquired intangible assets (note 13)	523	2,113
Share-based payment charge/(credit)	331	(458)
Tax effect of the above	(213)	(328)
Adjusted earnings	6,019	7,693

12. DIVIDENDS PAID AND PROPOSED

	2025 £'000	2024 £'000
Declared and paid during the year		
Final dividend of 1.85p (2024: 1.2p) per share proposed and paid during the year relating to the previous year's results	2,963	2,005
Proposed for approval at AGM (not recognised as a liability at 31 December)		
Final dividend for 2025 of 2.00p (2024: 1.85p) per share	3,000	2,963

As per the Trust Deed, the EBT has waived its entitlement to a dividend on the shares held by the trust.

NOTES TO THE GROUP FINANCIAL STATEMENTS

13. INTANGIBLE ASSETS

	Goodwill £'000	Customer relationships £'000	Software and development costs £'000	Work in progress £'000	Total £'000
Cost					
At 1 January 2024	35,964	10,768	28,880	6,677	82,289
Exchange differences	51	164	(130)	81	166
Additions	-	-	479	6,080	6,559
Disposals	-	-	(22)	-	(22)
Transfers	-	-	5,578	(5,578)	-
At 31 December 2024	36,015	10,932	34,785	7,260	88,992
Exchange differences	(208)	(658)	(1,223)	(474)	(2,563)
Additions	-	-	263	4,235	4,498
Disposals	-	-	(1,947)	-	(1,947)
Transfers	-	-	5,967	(5,967)	-
At 31 December 2025	35,807	10,274	37,845	5,054	88,980
Accumulated amortisation					
At 1 January 2024	-	2,799	18,183	-	20,982
Exchange differences	-	50	(92)	-	(42)
Charge for the year	-	537	5,779	-	6,316
Disposals	-	-	(22)	-	(22)
At 31 December 2024	-	3,386	23,848	-	27,234
Exchange differences	-	(207)	(835)	-	(1,042)
Charge for the year	-	523	5,488	-	6,011
Disposals	-	-	(1,947)	-	(1,947)
At 31 December 2025	-	3,702	26,554	-	30,256
Net book value					
At 31 December 2023	35,964	7,969	10,697	6,677	61,307
At 31 December 2024	36,015	7,546	10,937	7,260	61,758
At 31 December 2025	35,807	6,572	11,291	5,054	58,724

All additions were paid for in the year.

Staff costs of £3,474,000 (2024: £5,367,000) have been capitalised as intangible assets. The net book value of internally generated assets is £15,984,000 (2024: £16,797,000), which relates to all of the work in progress balance and the remaining amount is within software and development costs.

Individually material intangible assets held by the Group as at 31 December 2025 relate to the Facilisgroup technology platform with a net book value of £7,668,000 (2024: £6,425,000) included within software and development costs which had a remaining amortisation period of between 1 and 3 years (2024: 1 and 3 years) and £4,603,000 (2024: £7,062,000) included within work in progress.

The amortisation charge for the year ended 31 December 2025 includes £523,000 (2024: £2,113,000) in respect of acquired intangible assets. This included a charge of £nil (2024: £950,000) which has been accelerated to align the useful lives of certain acquired intangible assets with those that are internally generated.

The remaining amortisation periods for customer relationships are between 11 and 13 years (2024: 12 and 14 years) and for software and development costs are between 1 and 5 years (2024: 1 and 5 years).

The Group tests goodwill annually for impairment or more frequently if there are indicators that goodwill might be impaired.

Goodwill is attributed to the respective cash-generating units (CGUs) within the Group (Brand Addition and Facilisgroup). The recoverable amounts of the assets within the CGUs is determined using value in use calculations. In assessing the value in use, the estimated future cash flows of the CGU are discounted to their present value using a pre-tax discount rate. Cash flows are based upon budgeted cash flows covering a five-year period.

The key assumptions for value in use calculations are those regarding discount rate, growth rates and expected changes to revenues and costs in the period, as follows:

Brand Addition

- 2026 forecast with growth rates applied to revenue of 3.0% each year
- EBITDA margin of 10.8% (2024: 10.0%) was applied to 2026 and 11.0% for future years
- Pre-tax market weighted average cost of capital (WACC) of 13.0% (2024: 13.5%)

Facilisgroup

- 2026 forecast with growth rates applied to revenue of 10.0% - 24.0% for future years
- EBITDA margin of 42.0% (2024: 50.0%) was applied to 2026 and 47.0% for future years
- Pre-tax market weighted average cost of capital (WACC) of 13.0% (2024: 15.7%)

Appropriate adjustments were also made for changes in working capital and other cash flows to both CGUs.

These growth rates are based on past experience and market conditions and discount rates are consistent with external information. The growth rates shown are the average applied to the cash flows of the individual CGUs and do not form a basis for estimating the consolidated profits of the Group in the future.

NOTES TO THE GROUP FINANCIAL STATEMENTS

13. INTANGIBLE ASSETS (continued)

Sensitivities to revenue and margin, consistent with those used in the going concern analysis, were applied to each CGU. Additionally, the impact on headroom arising from a 2.0% increase in the WACC was also considered.

The value in use calculations described above, together with sensitivity analysis using reasonably possible changes in the key assumptions as set out above, indicate the Group has adequate headroom and therefore do not give rise to impairment concerns.

Having completed the impairment reviews at the date of transition and at each subsequent balance sheet date, no impairments were identified.

Goodwill is attributable to the following segments:

	2025 £'000	2024 £'000
Brand Addition	33,057	33,057
Facilisgroup	2,750	2,958
	35,807	36,015

The value in use, calculated as described above and attributable to each CGU, under both the base and sensitised cases, is detailed below.

	2025			2024
	Base case £'000	Decrease in revenue growth and margin £'000	Increase in WACC £'000	Base case £'000
Brand Addition	83,210	63,605	68,187	80,359
Facilisgroup	64,217	41,826	52,246	51,624
	147,427	105,431	120,433	131,983

Under both sensitivities, there is headroom for both CGUs.

Management considers that no reasonably possible changes would reduce either CGUs headroom to £nil.

14. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £'000	Computer hardware £'000	Right-of-use assets £'000	Total £'000
Cost				
At 1 January 2024	3,682	2,873	13,443	19,998
Exchange differences	14	(22)	(46)	(54)
Additions	65	138	859	1,062
Disposals	(1)	(103)	(560)	(664)
At 31 December 2024	3,760	2,886	13,696	20,342
Exchange differences	(124)	(84)	(230)	(438)
Additions	139	251	260	650
Disposals	(67)	(252)	(181)	(500)
At 31 December 2025	3,708	2,801	13,545	20,054
Accumulated depreciation				
At 1 January 2024	2,837	1,644	7,211	11,692
Exchange differences	16	(15)	(16)	(15)
Charge for the year	259	462	1,485	2,206
Disposals	(1)	(103)	(560)	(664)
At 31 December 2024	3,111	1,988	8,120	13,219
Exchange differences	(105)	(63)	(122)	(290)
Charge for the year	232	372	1,518	2,122
Disposals	(67)	(252)	(181)	(500)
At 31 December 2025	3,171	2,045	9,335	14,551
Net book value				
At 31 December 2023	845	1,229	6,232	8,306
At 31 December 2024	649	898	5,576	7,123
At 31 December 2025	537	756	4,210	5,503

NOTES TO THE GROUP FINANCIAL STATEMENTS

14. PROPERTY, PLANT AND EQUIPMENT (continued)

All additions within fixtures and fittings and computer hardware, totaling £390,000 (2024: £203,000), were paid for in the year.

	2025 £'000	2024 £'000
Right-of-use assets – net book value		
Leasehold property	3,723	5,112
Fixtures and fittings	431	393
Computer hardware	56	71
Total right-of-use assets – net book value	4,210	5,576

15. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets/(liabilities) are analysed as follows:

	Accelerated depreciation £'000	Intangible fixed assets £'000	Deferred tax liabilities £'000	Share options £'000	Other temporary differences £'000	Transitional relief on IFRS 16 adoption £'000	Losses and unused tax relief £'000	Deferred tax assets £'000
At 1 January 2024	(1,278)	(1,486)	(2,764)	348	153	105	75	681
Tax (charge)/credit for the year	(536)	(149)	(685)	(42)	1,243	(34)	(8)	1,159
Exchange differences	22	224	246	–	8	–	(5)	3
At 31 December 2024	(1,792)	(1,411)	(3,203)	306	1,404	71	62	1,843
Tax (charge)/credit for the year	(891)	114	(777)	(98)	(956)	(34)	730	(358)
Tax directly credited to equity	–	–	–	39	–	–	–	39
Exchange differences	22	(156)	(134)	–	(21)	–	–	(21)
At 31 December 2025	(2,661)	(1,453)	(4,114)	247	427	37	792	1,503

This is analysed in the consolidated statement of financial position, after offset of balances within countries, as follows:

	2025			2024		
	Assets £'000	Liabilities £'000	Net £'000	Assets £'000	Liabilities £'000	Net £'000
Gross deferred tax	1,503	(4,114)	(2,611)	1,843	(3,203)	(1,360)
Set off of tax	(1,503)	1,503	–	(1,558)	1,558	–
Net deferred tax	–	(2,611)	(2,611)	285	(1,645)	(1,360)

The above amounts reflect the differences between the carrying and tax amounts as at each year end.

Other temporary differences include adjustments in relation to pensions, accrued expenses where tax relief is available when the expense is paid and research and development expenses incurred by the US entities that must be capitalised for tax purposes and then amortised.

Of the deferred tax balances at 31 December 2025, £982,000 (2024: £50,000) of the deferred tax asset and £511,000 (2024: £437,000) of the deferred tax liability are expected to be utilised within one year.

There are unrecognised deferred tax assets relating to trading losses of £nil (2024: £1,011,000). The movement in the trading losses between 2024 and 2025 is due to the merger of the German entities in the Brand Addition group which resulted in one remaining entity in Germany. This included some utilisation of losses, with the balance forfeited as required under German tax law.

16. INVENTORIES

	2025 £'000	2024 £'000
Finished goods for resale	11,141	12,095
Total inventories	11,141	12,095

Inventories are stated after provisions for impairment of £573,000 (2024: £481,000).

There is no difference between the replacement cost of inventories and carrying value.

NOTES TO THE GROUP FINANCIAL STATEMENTS

17. TRADE AND OTHER RECEIVABLES

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Trade receivables unbilled	3,168	3,280
Trade receivables not past due	18,845	16,762
Trade receivables past due	5,459	5,015
Provision for impairment of trade receivables	(93)	(104)
Trade receivables net	27,379	24,953
Other debtors	1,093	1,529
FX derivative	-	166
Prepayments	4,312	4,003
Total trade and other receivables	32,784	30,651

Other debtors include amounts relating to other taxes and social security and supplier rebates.

Currency analysis

	2025 £'000	2024 £'000
Sterling	4,939	4,392
Euro	9,766	9,493
US Dollar	14,597	13,820
Chinese Renminbi	2,473	1,720
Other	1,009	1,226
Total trade and other receivables	32,784	30,651

Any fair value difference on trade and other receivables is not material. Trade receivables are considered past due once they have passed their contracted due date. Trade receivables are assessed for impairment based upon the expected credit loss model.

The Group's customer base is predominantly made up of high-quality organisations with a high credit rating. In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The maturity analysis of certain financial assets (which comprise trade receivables and other debtors) is analysed below.

	2025			2024		
	Gross £'000	Provision £'000	Net £'000	Gross £'000	Provision £'000	Net £'000
Trade and other receivables:						
Not yet due	23,106	-	23,106	21,571	-	21,571
Up to 3 months past due	4,400	-	4,400	3,832	-	3,832
3 to 6 months past due	500	-	500	793	-	793
Over 6 months past due	559	(93)	466	390	(104)	286
	28,565	(93)	28,472	26,586	(104)	26,482

The Group uses historical evidence as well as considering forward-looking information, including macroeconomic factors, and the probability of default when calculating expected credit losses. No significant changes to estimation techniques or assumptions were made during the reporting period. The maturity of financial assets is therefore used as an indicator as to the probability of default. The maximum amount of exposure to credit risk is the total value of unprovided trade receivables and other debtors as set out above. There are no amounts outstanding on financial assets that were written off during the reporting period and which are still subject to enforcement activity.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group uses the simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables. Trade receivables are grouped based on the days past due. There is limited concentration of credit risk with respect to trade receivables due to the diverse and unrelated nature of the Group's customers. Accordingly, the Directors believe that no further credit provision is required in excess of the provision for impairment of trade receivables.

NOTES TO THE GROUP FINANCIAL STATEMENTS

18. CASH AND CASH EQUIVALENTS

	2025 £'000	2024 £'000
Cash at bank and in hand	9,637	16,459
Currency analysis		
	2025 £'000	2024 £'000
Sterling	368	4,977
Euro	4,643	5,512
US Dollar	3,829	4,808
Other	797	1,162
Total cash and cash equivalents	9,637	16,459

19. TRADE AND OTHER PAYABLES

	2025 £'000	2024 £'000
Trade payables	16,443	17,210
Other taxation and social security	795	524
Other payables	453	569
FX derivative	40	–
Accruals	5,984	5,222
Contract liabilities	4,790	5,037
Trade and other payables	28,505	28,562

Included in trade payables are amounts of £3,808,000 (2024: £3,566,000) related to Goods Received Not Invoiced.

Revenues totalling £4,028,000 were recognised in the year ended 31 December 2025 that were included in the contract liabilities balance as at 31 December 2024 (£4,423,000 recognised in the year ended 31 December 2024 that were included in the contract liabilities balance as at 31 December 2023).

The Group expects to complete its remaining performance obligations in respect of the closing contract liabilities balance and recognise the full amount as revenue in 2026 with the exception of £2,522,000 (2024: £2,537,000) relating to gift cards.

	2025 £'000	2024 £'000
Currency analysis		
Sterling	11,025	10,771
Euro	7,931	7,665
US Dollar	8,652	8,772
Chinese Renminbi	552	1,080
Other	345	274
Total current liabilities	28,505	28,562

The fair value of financial liabilities approximates to their carrying value due to short maturities.

20. LEASES

Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	£'000
Right-of-use assets	
At 1 January 2024	6,232
Exchange differences	(30)
New leases recognised in the year	859
Depreciation charge for the year	(1,485)
At 31 December 2024	5,576
Exchange differences	(108)
New leases recognised in the year	260
Depreciation charge for the year	(1,518)
At 31 December 2025	4,210

NOTES TO THE GROUP FINANCIAL STATEMENTS

20. LEASES (continued)

These are included within property, plant and equipment in the statement of financial position.

	2025 £'000	2024 £'000
Lease liability		
Not more than one year		
Minimum lease payments	1,938	1,998
Interest element	(211)	(346)
Present value of minimum lease payments	1,727	1,652
Between one and five years		
Minimum lease payments	3,552	5,046
Interest element	(237)	(340)
Present value of minimum lease payments	3,315	4,706
More than five years		
Minimum lease payments	157	504
Interest element	(15)	(25)
Present value of minimum lease payments	142	479
This is analysed in the consolidated statement of financial position as follows:		
	2025 £'000	2024 £'000
Current	1,727	1,652
Non-current	3,457	5,185
Total present value of minimum lease payments	5,184	6,837

Amounts recognised in the income statement

The income statement shows the following amounts relating to leases:

	2025 £'000	2024 £'000
Depreciation charge – leasehold property	1,304	1,330
Depreciation charge – fixtures and fittings	165	129
Depreciation charge – computer hardware	49	26
	1,518	1,485
Interest expense (within finance expense)	298	357

The above leases relate to office space, computer equipment and motor vehicles. The net book value by category is set out in note 14.

21. SHARE CAPITAL

The authorised, issued and fully paid number of shares are set out below.

	Ordinary Shares Number	Share capital £	Share premium £
Ordinary Shares of 1p each:			
At 1 January 2024	167,450,893	1,674,509	78,451,312
Purchase of own shares	(2,674,539)	(26,745)	–
At 31 December 2024	164,776,354	1,647,764	78,451,312
Purchase of own shares	(16,061,645)	(160,616)	–
At 31 December 2025	148,714,709	1,487,148	78,451,312

The Ordinary Shares have full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable.

In May 2024, the Group commenced a share buyback programme to repurchase up to £5 million of its own shares. During the year, 5,405,908 Ordinary Shares with a total nominal value of £54,059 were bought back by the Company for a total consideration, including transaction costs, of £2,235,000, charged to retained earnings (2024: 2,674,539 Ordinary Shares with a nominal value of £26,745 for a total consideration, including transaction costs, of £1,416,000). The Company subsequently cancelled these shares which resulted in a reduction in share capital of £54,059 (2024: £26,745), with a corresponding increase in the capital reserve. Details of the individual transactions can be found in the RNS announcements section of the Company's website. The share buyback programme concluded on 3 June 2025.

NOTES TO THE GROUP FINANCIAL STATEMENTS

21. SHARE CAPITAL (continued)

On 11 August 2025, the Group completed a tender offer to repurchase and cancel 10,655,737 of its Ordinary Shares with a total nominal value of £106,557 at a price of 61 pence per Ordinary Share, pursuant to the terms and conditions set forth in the offer documents. The total consideration, including transaction costs associated with the tender offer, was £6,807,000. The Group subsequently cancelled these shares which resulted in a reduction in share capital of £106,557, with a corresponding increase in the capital reserve.

During the year, the EBT purchased a total of 1,257,126 Ordinary Shares at an average price of £0.48 per share, which were used to satisfy the exercise of 364,105 LTIP options. The EBT did not sell any shares and the remaining 1,346,208 shares are held by the Trust, with a fair value of £585,600.

22. ANALYSIS AND RECONCILIATION OF NET CASH/(DEBT)

	Cash at bank and in hand £'000	Lease liability (note 20) £'000	Borrowings £'000	Net cash/(debt) £'000
At 1 January 2024	15,898	(7,624)	-	8,274
New leases	-	(859)	-	(859)
Lease disposals	-	-	-	-
Lease payments - capital	-	1,702	-	1,702
Lease payments - interest	-	357	-	357
Interest expense	-	(357)	-	(357)
RCF drawdown	-	-	(500)	(500)
RCF repayments	-	-	500	500
Cash flow	375	-	-	375
Exchange differences	186	(56)	-	130
At 31 December 2024	16,459	(6,837)	-	9,622
New leases	-	(260)	-	(260)
Lease payments - capital	-	1,669	-	1,669
Lease payments - interest	-	298	-	298
Interest expense	-	(298)	-	(298)
RCF drawdown	-	-	(5,600)	(5,600)
RCF repayments	-	-	5,600	5,600
Cash flow	(6,263)	-	-	(6,263)
Exchange differences	(559)	244	-	(315)
At 31 December 2025	9,637	(5,184)	-	4,453

23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS BY CATEGORY

The Group uses various financial instruments. These include cash, issued equity instruments and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below.

Market risk

Market risk encompasses three types of risk, being currency risk, interest rate risk and price risk. In this instance, price risk has been ignored as it is not considered a material risk to the business. The Group's policies for managing interest rate risk are set out in the subsection entitled "Interest rate risk" below.

Currency risk

The Group contracts with certain customers and suppliers in Euros and US Dollars and manages this foreign currency risk using forward foreign exchange contracts. Hedge accounting is not applied. The Group's exposure to foreign currency risk at the end of the reporting period is set out in notes 17, 18 and 19.

As the Group derives an amount of its earnings from overseas operations, the Group is affected by movements in exchange rates. This would affect both the statement of financial position and the income statement. It is estimated that, with all other variables held equal (in particular other exchange rates), a general change of 10% in the value of each major foreign currency in the table below against Sterling would have had the following impact on the Group's current year profit after tax and on net assets.

	2025		2024	
	US Dollar £'000	Euro £'000	US Dollar £'000	Euro £'000
Impact on profit before tax if currency strengthens against GBP	237	67	374	(57)
Impact on profit before tax if currency weakens against GBP	(194)	(55)	(372)	13
Impact on net assets if currency strengthens against GBP	4,290	365	3,553	538
Impact on net assets if currency weakens against GBP	(3,510)	(229)	(2,909)	(442)

NOTES TO THE GROUP FINANCIAL STATEMENTS

23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS BY CATEGORY (continued)**Interest rate risk (including cash flow interest rate risk)**

As at the year end, the Group had no external borrowings and therefore was not exposed to a material interest rate risk on borrowings.

Credit risk

The Group's principal financial assets are cash, trade receivables and other debtors. The credit risk associated with cash is limited, as the counterparties have high credit ratings assigned by international credit rating agencies. The principal credit risk arises from the Group's trade receivables. In order to manage credit risk, the Directors set limits for customers based on a combination of payment history and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The credit losses historically incurred by the Group have been negligible as detailed in note 17.

Liquidity risk

The Group seeks to manage the risk of being unable to meet its obligations as they fall due by ensuring sufficient liquidity is available and by closely managing the cash balance.

The Group policy throughout the year has been to ensure continuity of funding. Short-term flexibility is achieved by revolving working capital facilities.

The Group has a cross-guarantee banking arrangement, which is a revolving credit facility of £10,000,000. The facility was refinanced in February 2025 for a four-year period to February 2029. Interest is charged at a rate of SONIA + 2.0%. As at 31 December 2025, the balance on the facility was £nil (2024: £nil). There is also revolving credit facility of 10,000,000 RMB for Brand Addition (Shanghai) Trading Co. Limited. As at 31 December 2025, the balance on the facility was £nil (2024: £nil).

Summary of financial assets and liabilities by category

The carrying amount of financial assets and liabilities recognised may also be categorised as follows:

	2025 £'000	2024 £'000
Financial assets		
Financial assets measured at amortised cost		
Trade receivables and other debtors	28,472	26,482
Cash and cash equivalents	9,637	16,459
	38,109	42,941
Financial assets measured at fair value through profit or loss		
FX derivative asset	–	166
Total financial assets	38,109	43,107
Financial liabilities		
Financial liabilities measured at amortised cost		
Non-current:		
Lease liability	(3,457)	(5,185)
Current:		
Lease liability	(1,727)	(1,652)
Trade payables and other payables	(16,896)	(17,779)
Accruals	(5,984)	(5,222)
	(28,064)	(29,838)
Financial liabilities measured at fair value through profit or loss		
FX derivative liability	(40)	–
Total financial liabilities	(28,104)	(29,838)
Net financial assets and liabilities	10,005	13,269

The maturity analysis for lease liabilities is presented in note 20. All other financial liabilities have a maturity of less than 12 months (i.e. are all current).

NOTES TO THE GROUP FINANCIAL STATEMENTS

23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Capital management policies and procedures

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

This is achieved through close management of working capital and regular reviews of pricing. Decisions on whether to raise funding using debt or equity are made by the Board based on the requirements of the business.

Capital for the reporting period relates to cash and cash equivalents as disclosed on the previous page.

The Group is subject to interest cover and net leverage financial covenants over its £10,000,000 revolving credit facility. The covenants are monitored as part of regular forecasting.

The only derivative financial instruments used by the Group are foreign currency forward contracts that are disclosed in the table above. These derivatives are only used for economic hedging purposes and not as speculative investments. They are classified as "held for trading" for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

The gross value of foreign currency forward contracts held at the end of the reporting period was \$2,320,000 and €500,000. The contracts mature within 1 to 12 months of the year end.

24. SHARE-BASED PAYMENTS

In the year ended 31 December 2025, the Group operated equity-settled share-based payment plans as described below.

During the year, the Group recognised a total charge of £331,000 (2024: credit of £458,000) in respect of share-based payment transactions. The difference between the above and the amount recognised in the share-based payment reserve is due to options exercised during the year, cash-settled options and associated social security costs.

The weighted average remaining contractual life of options outstanding at the end of the year is 1.95 years (2024: 1.84 years).

The Pebble Group plc Long Term Incentive Plan (LTIP)

Certain employees of the Company, along with other Group employees, have been granted share options on 29 March 2022, 28 March 2023 and 26 March 2024 under the LTIP.

The vesting of most of these awards is subject to the Group achieving certain performance targets under the LTIP, measured over a three-year period, as set out in the Directors' Remuneration Report. The options are split into two parts with the amount of Part 1 options that will vest depending on achievement of the Group's Basic Adjusted EPS (AEPS) whilst Part 2 depends on absolute total shareholder return (TSR) that will vest depending on performance of the Company's Absolute TSR:

	Proportion of award
Part 1 options – Basic AEPS	70%
Part 2 options – TSR	30%

On 9 September 2025, the Executive Directors were granted share options under the LTIP. The vesting of the awards is subject to a three-year share price and EBITDA performance condition. The awards were approved at the General Meeting held on 7 August 2025. The awards are subject to malus and clawback.

On 9 September 2025, members of the senior management team below the Executive Director level were granted share options under the LTIP. The awards will vest in two tranches over an 18-month period, subject to continued employment. The awards are subject to malus and clawback.

NOTES TO THE GROUP FINANCIAL STATEMENTS

24. SHARE-BASED PAYMENTS (continued)

Details of the maximum total number of Ordinary Shares which may be issued in future periods in respect of LTIP awards outstanding at 31 December 2025 are shown below.

	Number of share options
At 1 January 2024	3,214,953
Granted in the year	3,009,191
Exercised in the year	(153,535)
Lapsed in the year	(1,424,394)
At 31 December 2024	4,646,215
Granted in the year	10,704,439
Exercised in the year	(364,105)
Lapsed in the year	(1,450,141)
Outstanding at 31 December 2025	13,536,408
Exercisable at 31 December 2025	59,603

The shares exercisable at 31 December 2025 are split as follows:

	Number of share options
2020 LTIP	48,184
2021 LTIP	11,419

All options which were granted or exercised during the year had a nil cost exercise price. The weighted average share price of all options exercised during the year was 45.3p (2024: 53.9p).

The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the option as shown below.

AEPS condition	2020 award	2021 award	2022 award	2023 award	2024 award
Number of share options	873,642	672,357	1,203,990	1,158,847	2,106,434
Grant date	21/12/2020	08/06/2021	29/03/2022	28/03/2023	26/03/2024
Share price at start of performance period	105.0p	130.0p	132.5p	88.5p	60.2p
Share price at grant date	110.5p	153.0p	101.5p	117.0p	67.0p
Exercise price	£nil	£nil	£nil	£nil	£nil
Expected volatility	-	-	-	-	-
Expected life	3 years				
Expected dividend yield	-	-	-	-	-
Risk-free interest rate	-	-	-	-	-
Fair value per option	110.5p	153.0p	101.5p	117.0p	67.0p
TSR condition	2020 award	2021 award	2022 award	2023 award	2024 award
Number of share options	374,418	288,153	515,996	496,649	902,757
Grant date	21/12/2020	08/06/2021	29/03/2022	28/03/2023	26/03/2024
Share price at start of performance period	105.0p	130.0p	132.5p	88.5p	60.2p
Share price at grant date	110.5p	153.0p	101.5p	117.0p	67.0p
Exercise price	£nil	£nil	£nil	£nil	£nil
Expected volatility	17.2%	17.5%	17.9%	14.3%	12.14%
Expected life	3 years				
Expected dividend yield	0%	0%	0%	0%	1.78%
Risk-free interest rate	0.53%	0.53%	0.53%	3.05%	4.11%
Fair value per option	22.3p	28.2p	29.6p	21.1p	16.5p

NOTES TO THE GROUP FINANCIAL STATEMENTS

24. SHARE-BASED PAYMENTS (continued)

Executive Directors' award	2025 award
Number of share options	8,000,000
Grant date	09/09/2025
Share price at start of performance period	51.0p
Share price at grant date	51.0p
Exercise price	£nil
Expected volatility	30.44%
Expected life	3 years
Risk-free interest rate	5.01%
Fair value per option	17.4p

The Pebble Group plc Group Sharesave Plan (SAYE)

Certain eligible employees of the Company, along with other Group employees, have been granted share options on 25 April 2023 and 11 October 2024 under its Sharesave Plan and its sub-plan, the International Sharesave Plan.

The SAYE provides for an exercise price equal to the quoted mid-market price of the Company shares on the business day immediately preceding the date of grant, less a discount of 20 per cent. The vesting period under the scheme is three years with no performance conditions, other than remaining a Group employee, attached to the options.

In 2025 under the SAYE, the Group made awards of nil (2024: 1,322,186) conditional shares to certain Directors and employees.

Details of the maximum total number of Ordinary Shares which may be issued in future periods in respect of SAYE awards outstanding at 31 December 2025 are shown below.

	Number of share options	Weighted average exercise price (p)
At 1 January 2024	678,347	108.0
Granted in the year	1,322,186	45.0
Lapsed in the year	(621,125)	109.3
At 31 December 2024	1,379,408	47.0
Granted in the year	-	-
Lapsed in the year	(194,277)	52.4
At 31 December 2025	1,185,131	46.2

The fair value at grant date is independently determined using an adjusted form of the Black-Scholes model that takes into account the exercise price, the term of the option, the share price at grant date, the expected price volatility of the underlying share based on the AIM Price Index over the past 3 years and the risk-free interest rate for the term of the option as shown below.

	2021 award	2023 award	2024 award
Number of share options	937,223	417,932	1,322,186
Grant date	06/10/2021	25/04/2023	11/10/2024
Share price at grant date	152.5p	117.0p	56.0p
Exercise price	122.0p	94.0p	45.0p
Expected volatility	17.57%	13.4%	12.07%
Expected life	3 years	3 years	3 years
Expected dividend yield	0%	0%	2.29%
Risk-free interest rate	0.53%	3.05%	4.39%
Fair value per option	20.97p	16.0p	8.6p

25. RELATED PARTY TRANSACTIONS

The Directors consider there to be no ultimate controlling party. During the current and prior year, related parties include parent and intermediate parent entities ultimately owned by the same shareholders.

Details of key management compensation are given in note 6. There are no other related party transactions to be disclosed for the current and prior year.

26. COMMITMENTS AND CONTINGENCIES

The Group had no known commitments or contingencies at 31 December 2025 (2024: none).

27. SUBSEQUENT EVENTS

There are no post-balance sheet events to disclose.

COMPANY BALANCE SHEET

As at 31 December 2025

	Note	2025 £'000	2024 £'000
Fixed assets			
Property, plant and equipment	7	48	69
Investments	8	50,653	50,405
		50,701	50,474
Current assets			
Trade and other debtors (including £63,102,000 (2024: £72,966,000) falling due after more than one year)	9	63,305	73,242
Cash at bank and in hand		100	3,810
		63,405	77,052
Creditors: amounts falling due within one year	11	(1,870)	(2,021)
Net current assets		61,535	75,031
Total assets less current liabilities		112,236	125,505
Net assets		112,236	125,505

	Note	2025 £'000	2024 £'000
Equity			
Called up share capital	13	1,487	1,648
Share premium account	13	78,451	78,451
Own share reserve		(647)	(251)
Capital reserve		313	152
Merger relief reserve		713	713
Share-based payment reserve		1,329	1,402
Retained earnings		30,590	43,390
Total equity		112,236	125,505

The Company has taken advantage of the exemption permitted by Section 408 of the Companies Act 2006 not to produce its own profit and loss account. The loss for the year dealt within the financial statements of the Company was £991,000 (2024: £63,501,000).

The Company financial statements on pages 124 to 132 were approved by the Board of Directors on 16 March 2026 and were signed on its behalf by:


Claire Thomson

Director

16 March 2026

The notes on pages 126 to 132 form part of these Company financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Called up share capital £'000	Share premium account £'000	Own share reserve £'000	Capital reserve £'000	Merger relief reserve £'000	Share- based payment reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2024	1,675	78,451	(227)	125	713	1,970	110,266	192,973
Loss for the year	-	-	-	-	-	-	(63,501)	(63,501)
Total comprehensive expense	-	-	-	-	-	-	(63,501)	(63,501)
Dividends paid (note 6)	-	-	-	-	-	-	(2,005)	(2,005)
Purchase of own shares (note 13)	(27)	-	-	27	-	-	(1,416)	(1,416)
Purchase of own shares by EBT	-	-	(109)	-	-	-	-	(109)
Employee share schemes – value of employee services (note 14)	-	-	85	-	-	(563)	46	(432)
Deferred tax on employee share schemes (note 10)	-	-	-	-	-	(5)	-	(5)
Total transactions with owners recognised in equity	(27)	-	(24)	27	-	(568)	(3,375)	(3,967)
At 31 December 2024	1,648	78,451	(251)	152	713	1,402	43,390	125,505
Loss for the year	-	-	-	-	-	-	(991)	(991)
Total comprehensive expense	-	-	-	-	-	-	(991)	(991)
Dividends paid (note 6)	-	-	-	-	-	-	(2,963)	(2,963)
Purchase of own shares (note 13)	(161)	-	-	161	-	-	(9,042)	(9,042)
Purchase of own shares by EBT (note 13)	-	-	(598)	-	-	-	-	(598)
Employee share schemes – value of employee services (note 14)	-	-	202	-	-	(111)	196	287
Deferred tax on employee share schemes (note 10)	-	-	-	-	-	38	-	38
Total transactions with owners recognised in equity	(161)	-	(396)	161	-	(73)	(11,809)	(12,278)
At 31 December 2025	1,487	78,451	(647)	313	713	1,329	30,590	112,236

The notes on pages 126 to 132 form part of these Company financial statements.

The Group has an Employee Benefit Trust (EBT) to administer share plans and to acquire shares, using funds contributed by the Group, to meet commitments to employee share schemes. At 31 December 2025, the EBT held 1,346,208 shares (2024: 453,187).

NOTES TO THE COMPANY FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Pebble Group plc (the "Company") was incorporated in the United Kingdom on 27 September 2019 and is a public company limited by shares, registered and domiciled in England and Wales. The registered office of the Company is Broadway House, Trafford Wharf Road, Trafford Park, Manchester, England M17 1DD. The company registration number is 12231361. The Company's principal activity is that of a holding company.

2. ACCOUNTING POLICIES

(a) Reporting framework

The separate financial statements of the Company have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006.

The financial information is presented in Sterling and has been rounded to the nearest thousand (£'000).

The principal accounting policies, which have been applied consistently to all the years presented, are set out below.

(b) Financial Reporting Standard 102 – reduced disclosure exemptions

The following exemptions from the requirements in FRS 102 have been applied in the preparation of these financial statements:

- the requirements of section 7 Statement of Cash Flows;
- the requirements of section 3 Financial Statement Presentation, paragraph 3.17(d);
- the requirements of section 11 Financial Instruments, paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of section 12 Other Financial Instruments, paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.w9A; and
- the requirements of section 33 Related Party Disclosures, paragraph 33.7.

This information is included in the Group financial statements found earlier in this report.

(c) Going concern

The Company meets its day-to-day working capital requirements through cash generated from the Group in which it holds its investment and utilising its overdraft facility to fund peak seasonal demands. The Directors have prepared cash flow forecasts and projections for the two years ending 31 December 2027 for the Group; see the going concern disclosure within the Group financial statements.

Based on this, the Directors are satisfied that the Company has adequate resources to continue in operational existence for at least 12 months from the date of signing the financial statements. For this reason, they continue to adopt the going concern basis in preparing the Company financial statements.

(d) Dividend distribution

Dividends are recognised when approved by the Company's shareholders or, in the case of interim dividends, when the dividend has been paid. No interim dividend has been paid in the year (2024: £nil). The Directors recommend the payment of a final dividend for 2025 of 2.00 pence per share (2024: 1.85 pence per share).

(e) Investment in subsidiary undertakings

Investments in subsidiaries are stated at cost less accumulated impairment.

(f) Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where events or transactions that result in an obligation to pay more tax in the future, or a right to pay less tax in future, have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

(g) Share-based payments

Equity-settled awards are valued at the grant date, and the fair value is charged as an expense in the income statement spread over the vesting period. Fair value of the awards are measured using an adjusted form of the Black-Scholes model which includes a Monte Carlo simulation model. The fair value of the options, appraised at the grant date, includes the impact of market-based vesting conditions if applicable.

Share-based remuneration is recognised as an expense in profit or loss in the employing company's income statement with the credit side of the entry being recorded in equity. Remuneration relating to subsidiary undertakings are recognised as an increase in investment to that subsidiary.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

2. ACCOUNTING POLICIES (continued)

(h) Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and investments, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price.

(i) Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Depreciation is calculated using the straight-line method so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

- Fixtures and fittings – 3 – 15 years; and
- Computer hardware – 5 years.

(j) Share capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds of issue.

(k) Share premium

Share premium represents the difference between the nominal value of shares issued and the fair value of consideration received. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

(l) Own share reserve

Own share reserve represents Ordinary Shares in the Company held by the Employee Benefit Trust (EBT) set up in 2023 to administer share plans and acquire shares, using funds contributed by the Group, to meet commitments to employee share schemes.

Employee Benefit Trust

The Company established an EBT (The Pebble Group Employee Benefit Trust) in May 2023 to enable shares to be bought in the market to satisfy the demand from share awards under the Group's employee share schemes. The EBT is a separately administered trust and is funded by contributions from Group companies in the form of a loan or a gift. The assets of the trust comprise shares in The Pebble Group plc and cash balances. The assets and liabilities of the EBT will be accounted for by the Company as an extension of its own business and recognised in the Company financial statements and shares held by the trust are recorded in the own share reserve as a deduction from shareholders' equity.

(m) Capital reserve

The capital reserve was created in 2021 as a result of the purchase by the Company of all deferred shares in issue.

(n) Merger relief reserve

The merger relief reserve was created during 2019 as a result of the share-for-share exchange under which The Pebble Group plc became the parent undertaking prior to the Initial Public Offering (IPO). The merger relief reserve includes the premium received on the issue of share capital in the share-for-share exchange.

(o) Retained earnings

Retained earnings includes all current and prior period retained profits and losses. When share capital recognised as equity is repurchased by the Group, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are subsequently cancelled and classified as a deduction in share capital with a corresponding increase in the capital reserve.

All transactions with owners of the parent are recorded separately within equity.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the preparation of the Company financial statements, the Directors, in applying the accounting policies of the Company, make some judgements and estimates that affect the reported amounts in the financial statements. The areas requiring the use of judgement and estimates that may significantly impact the financial statements are as follows:

Non-current asset impairment

The Directors are required to assess whether there are any indicators of impairment at each reporting date. All relevant potential indicators are considered, including the performance of the underlying trading Group and the results of the Group's impairment reviews performed as at the same date. The Directors exercise their judgement in determining whether any such indicators exist. Where an indicator of impairment is identified in relation to the Company's investments or intercompany receivable balances, a full impairment review is performed.

4. REMUNERATION OF DIRECTORS AND AUDITOR

Details of Directors' remuneration are shown in the Directors' Remuneration Report on pages 69 to 75. Details of the auditor's remuneration are shown in note 8 to the Group financial statements.

A proportion of the emoluments of the Company's Directors are recharged to other companies in the Group. The total remuneration incurred by the Company in the year was £605,000 (2024: £341,000).

Highest paid Director

The highest paid Director's emoluments incurred by the Company during the financial year was as follows:

	2025 £'000	2024 £'000
Salaries including bonuses	293	156
Social security costs	33	21
Short-term benefits	20	22
Total remuneration	346	199

5. STAFF COSTS

Personnel costs are analysed below.

	2025 £'000	2024 £'000
Staff costs (including Directors) consist of:		
Wages and salaries	1,771	1,648
Social security costs	160	135
Other pension costs	39	38
Total staff costs	1,970	1,821

During the year, the monthly average number of the Company's employees (including Executive Directors and temporary employees) was as follows:

	2025 No.	2024 No.
By function:		
Management	2	2
Administration	8	7
Total employees	10	9

6. DIVIDENDS PAID AND PROPOSED

	2025 £'000	2024 £'000
Declared and paid during the year		
Final dividend of 1.85p (2024: 1.2p) per share proposed and paid during the year relating to the previous year's results	2,963	2,005
Proposed for approval at AGM (not recognised as a liability at 31 December)		
Final dividend for 2025 of 2.00p (2024: 1.85p) per share	3,000	2,963

As per the Trust Deed, the EBT has waived its entitlement to a dividend on the shares held by the trust.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

7. PROPERTY, PLANT AND EQUIPMENT

	Fixtures and fittings £'000	Computer hardware £'000	Total £'000
Cost			
At 1 January 2024	83	23	106
Additions	-	1	1
At 31 December 2024	83	24	107
Additions	-	1	1
At 31 December 2025	83	25	108
Accumulated depreciation			
At 1 January 2024	13	3	16
Charge for the year	17	5	22
At 31 December 2024	30	8	38
Charge for the year	17	5	22
At 31 December 2025	47	13	60
Net book value			
At 31 December 2023	70	20	90
At 31 December 2024	53	16	69
At 31 December 2025	36	12	48

8. INVESTMENTS

	£'000
Cost and carrying amount	
At 1 January 2024	113,617
Movement relating to share options	(304)
Impairment	(62,908)
At 31 December 2024	50,405
Movement relating to share options	248
At 31 December 2025	50,653

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

At each reporting date, the Company considers whether there is any indication that its investments in subsidiaries may be impaired. Although no specific impairment triggers were identified at 31 December 2025, the Company performed a value in use assessment of its principal investment (The Pebble Group Holdco Limited) using cash flow forecasts and key assumptions consistent with the Group's impairment testing as detailed in note 13 to the Group financial statements. The calculation used a discount rate of 11.3% representing the Company's cost of equity. Under management's base case assumptions, the recoverable amount exceeded the carrying value and therefore no impairment was recognised.

The assessment is sensitive to changes in key assumptions, particularly discount rate and revenue growth.

A downside scenario was also considered to illustrate the potential impact of adverse conditions. This downside scenario reflects an increase in discount rate and a significant reduction in revenue growth. Under this scenario, the value in use reduced significantly and could give rise to an impairment of the Company's investment.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

8. INVESTMENTS (continued)

The Company owns the whole of the issued Ordinary Shares of the following subsidiary undertakings:

Name	Registered address	Principal activity	Class of share	Percentage holding
The Pebble Group Holdco Limited	Broadway	Holding company	Ordinary	100%
H.I.G Milan UK Bidco Limited	Trafford Wharf Road Manchester M17 1DD	Holding company	Ordinary	100%
Brand Addition Limited		Promotional merchandise	Ordinary	100%
Brand Addition Asia Limited	Room 801 8th Floor Tower 3 Enterprise Square No. 9 Sheung Yuet Road Kowloon, Hong Kong	Promotional merchandise	Ordinary	100%
Brand Addition Ireland Limited	Unit G2 Calmount Business Park Ballymount, Dublin 12	Promotional merchandise	Ordinary	100%
Brand Addition Reklam Urunleri Dagitim ve Ticaret Limited Sirketi	Buyukdere Caddesi Meydan Sokak Spring Giz Plaza Kat:13 Sisli-Istanbul, Turkey	Promotional merchandise	Ordinary	100%
Brand Addition (Shanghai) Trading Co., Limited	Unit 903-905 T2 Building, VIPARK 500 Xinlong Road Minhang District Shanghai, China	Promotional merchandise	Ordinary	100%
Brand Addition GmbH	Europastrasse 19a 45888 Gelsenkirchen, Germany	Promotional merchandise	Ordinary	100%
The Pebble Group US Bidco Inc.	Corporation Trust Center, 1209 Orange St, Wilmington, DE 19801	Holding company	Ordinary	100%
Gateway CDI Inc.	Orange St, Wilmington, DE 19801	Promotional merchandise	Ordinary	100%

Name	Registered address	Principal activity	Class of share	Percentage holding
Facilisgroup LLC	1600 S Brentwood Blvd., Ste 800, Brentwood, MO 63144	Promotional merchandise service provider	Ordinary	100%
Facilisgroup Canada Inc.	410 – 1900 City Park Drive Ottawa, ON K1J 1A3	Promotional merchandise service provider	Ordinary	100%

Other than The Pebble Group Holdco Limited, which is directly held by the parent, all subsidiaries are indirectly held.

All subsidiaries listed above are included in the Group financial statements.

9. TRADE AND OTHER DEBTORS

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Prepayments	155	242
Capitalised refinancing fees	48	34
	203	276
Amounts falling due after more than one year:		
Amounts owed by Group undertakings	62,900	72,868
Capitalised refinancing fees	99	–
Deferred tax assets (note 10)	103	98
	63,102	72,966
Total trade and other debtors	63,305	73,242

Amounts owed by Group undertakings falling due after more than one year are unsecured, repayable in greater than one year and bear interest at market rates.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

10. DEFERRED TAX ASSETS

Deferred tax assets are analysed as follows:

	2025 £'000	2024 £'000
Accelerated depreciation	(12)	(7)
Other short-term timing differences	115	105
Total deferred tax assets	103	98

The above amounts reflect the timing differences that have originated but not reversed at the balance sheet date where events or transactions that result in an obligation to pay more tax in the future, or a right to pay less tax in future, have occurred at the balance sheet date. Of the deferred tax balances at 31 December 2025, £4,000 (2024: £4,000) of the deferred tax asset is expected to be utilised within one year.

Changes during each year are as follows:

	Accelerated depreciation £'000	Share options £'000	Short-term timing differences £'000	Total £'000
At 1 January 2024	(19)	141	2	124
Tax credit/(charge) for the year	12	(35)	2	(21)
Tax directly charged to equity	-	(5)	-	(5)
At 31 December 2024	(7)	101	4	98
Tax charge for the year	(5)	(28)	-	(33)
Tax directly credited to equity	-	38	-	38
At 31 December 2025	(12)	111	4	103

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £'000	2024 £'000
Accruals	621	598
Other payables	17	14
Other tax and social security	59	55
Amounts owed to Group undertakings	1,173	1,354
Total creditors	1,870	2,021

12. LEASES

In 2025, the charge relating to rentals under operating leases was £54,000 (2024: £53,200).

The Company had minimum lease payments under non-cancellable operating leases as set out below.

	2025 £'000	2024 £'000
Less than one year	53	59
More than one year, less than two years	84	53
More than two years, less than three years	1	84
More than three years, less than four years	-	1
Total leases	138	197

13. CALLED UP SHARE CAPITAL

Details of movements in shares are set out in note 21 to the Group financial statements.

14. SHARE-BASED PAYMENTS

Details of share-based payments are set out in note 24 to the Group financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS

15. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption included in Section 33 of FRS 102 "Related Party Disclosures" to not disclose details of transactions with Group undertakings, on the grounds that it is the parent company of a Group whose financial statements are publicly available.

Directors' transactions

Details of the Directors' interests in the Ordinary Share capital of the Company are provided in the Directors' Report.

16. COMMITMENTS AND CONTINGENCIES

The Company is party to a Group cross-guarantee banking arrangement, which is a revolving credit facility of £10,000,000. The facility was refinanced in February 2025 for a four-year period to February 2029. Interest is charged at a rate of SONIA + 2.0%. As at 31 December 2025, the balance on the facility was £nil (2024: £nil). There is also a revolving credit facility of 10,000,000 RMB for Brand Addition (Shanghai) Trading Co. Limited, which is guaranteed by the Company. At 31 December 2025, the balance on the facility was £nil (2024: £nil). Details of financial risk management are set out in note 23 to the Group financial statements.

The Company had no other known commitments or contingencies at 31 December 2025 (2024: none).

17. SUBSEQUENT EVENTS

There are no post-balance sheet events to disclose.

FINANCIAL CALENDAR

Financial year end	31 December 2025
Preliminary announcement of full year results	17 March 2026
Publication of Annual Report and financial statements	24 March 2026
Annual General Meeting	29 April 2026
Preliminary announcement of half year results	September 2026
Financial year end	31 December 2026

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Growing relationships.
Strengthening businesses.

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