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Dillistone Group Plc

UNAUDITED INTERIM REPORT

FOR THE SIX MONTHS ENDED

30 JUNE 2026

Company No. 04578125

Dillistone Group Plc

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Dillistone Group Plc

Key points of the unaudited interim report for the six months ended 30 June 2026

Summary

- *Successful equity raise of £1.5m (£1.375m net of fees) at a premium completed February 2026. Equity raised to support the ongoing business as well as the change of strategic direction.*
- *Announcement of "end of life" for FileFinder product. Process of migrating FileFinder clients to Talentis has begun and anticipated to be largely complete in January 2027. Significant six figure annualised cost savings anticipated at conclusion of the end-of-life process.*
- *Group H1 adjusted operating loss of £0.272m (H1 2025: profit £0.079m).*
- *Total revenue of £1.854m (H1 2025: £2.173m), down 15%. Of this drop in total revenue, 17% related to the withdrawal of our VDQ product (in 2025) and 61% related to the FileFinder product, being discontinued by January 2027.*
- *Recurring revenues represented 90% (H1 2025: 91%) of Group revenue.*
- *Cash and cash equivalents at £0.436m (2025: (£0.080m)).*
- *The Group has completed significant preparatory work in anticipation of its strategy change. In recent days, we have announced various leadership changes, a plan to convert debt to equity and a General Meeting to hold a shareholder vote on our new strategy.*

Commenting on the results and prospects, Giles Fearnley, Non-Executive Chairman, said:

"The first half of 2026 marked a turning point for Dillistone. Backed by February's £1.5m equity raise, we have begun our transition to a serial acquisition model. Gareth Hawkins has now joined as CEO, and at a General Meeting in October shareholders will be asked to approve our new strategy and the conversion of approximately £0.795m of loan notes into equity.

"Our traditional recruitment software market remains tough. The end of life of FileFinder will have a significant and positive impact on our figures from January 2027 onwards. I would like to thank Jason, Ian and all our staff for their contribution during a period of considerable change."

***** Note: "Adjusted" refers to activities before acquisition, reorganisation and one-off costs

Chairman's Statement

The first half of 2026 has seen the Group take the first steps in a significant strategic pivot. In February, we were delighted to announce a major new investment, designed to support our move to a serial acquisition model. At that point, Simon Warburton and Steve Hammond stepped down from the Board, and we were delighted to welcome Matthias Riechert and Aakash Vanchi Nath who were appointed by our new strategic investor P&R Investment Management Limited.

At the time, we stated that we anticipated further board changes and announced that a search had begun for a new CEO to execute our new strategy. We announced on 25 September that Gareth Hawkins had agreed to take the CEO role from 28 September to formulate and implement the Group's new serial-acquisition strategy; and that Jason Starr would step down from that position on that date while remaining on the board. We also announced that our Finance Director, Ian Mackin, would leave the Group on 15th October. Paul Mather, our Chief Operating Officer of Ikiru People, has been promoted to Managing Director of that trading entity.

I'd like to take this opportunity to thank all of our departed and departing Board members for their efforts over the years, to welcome Gareth to the Group and congratulate Paul on his promotion.

Strategy

The Board announced on 25 September that it is proposing to broaden the Group's strategy to enable it to acquire companies outside the software sector that are particularly well suited to a decentralised serial-acquisition model. Further details of this proposal will be set out in a circular and put to shareholders at a General Meeting which is expected to be held towards the end of October. The Company does not intend to become an investing company as defined in the AIM Rules for Companies. The Group will continue to operate its existing software businesses through Ikiru People.

The Company has also announced that the holders of various loans which are due for repayment in 2028 and 2029 have indicated their intention to ask the Company to convert the loans to shares at a price of 14p. This would result in the issue of approximately 5.68 million new ordinary shares, remove approximately £795,000 of debt from the Group's balance sheet and save approximately £73,000 a year in interest. The Company expects to enter into an agreement with the holders of the loans shortly. The conversion will be subject to shareholder approval at the General Meeting to be convened to approve the Group's proposed new strategy.

Ikiru People

As has been well documented the recruitment landscape which Ikiru People serves has been, and remains, an extremely tough market. Rising people costs around the world have led to over 40 months of decline in the industry in the UK and the uncertainty around the impact of AI on the jobs market has not helped. Ikiru People has not been immune to this and clients have continued to downsize which directly impacts our SaaS subscription revenue.

Earlier this year, we also announced that we had made the decision to withdraw our FileFinder Anywhere platform from the market from January 2027. While FileFinder is a significant contributor to our revenues, it also carries a significant cost base, and we took the view that we would be able to migrate a substantial proportion of the FileFinder client base to our newer Talentis platform.

The withdrawal of FileFinder, together with a programme of cost optimisation and efficiencies, will allow the business to significantly reduce its cost base. H2 has seen the Group already start to benefit from associated cost savings; significantly larger savings will be delivered on completion of the process.

This process was announced to our FileFinder users in March, and the migration process began in earnest in late May. To date, of the clients that have contracted with us to migrate from FileFinder to Talentis, 75% have signed multi-year contracts.

Our expectation is that the migration process will complete in January 2027 at which time FileFinder Anywhere will be fully withdrawn from the market.

The first half also saw a stronger than anticipated order book for our Infinity platform. The combination of demand for migrations to Talentis coupled with the Infinity pipeline meant that we entered H2 with a delivery pipeline that was significantly larger than where we started the year, and the equivalent point in 2025. As a result, we anticipate the results for the second half of the year to be considerably stronger than the first, with non-recurring revenue being appreciably up on H1.

Once the FileFinder end of life migration process has completed, all Ikiru products will be cash generative.

Financial performance

Revenue

Group revenue in H1 FY2026 reduced by £0.319m to £1.854m from £2.173m in H1 FY2025. Of the drop in total revenue, 78% was due to discontinued or soon to be discontinued products.

Recurring revenues decreased by 15% to £1.668m over the comparable period last year (2025: £1.966m).

Recurring revenues represented 90% of total revenues (2025: 91%). Non-recurring revenues were down 15% at £0.128m (2025: £0.150m). Third party revenue is broadly static at £0.058m (2025: £0.057m).

*Adjusted EBITDA**

Following on from the revenue decrease, the adjusted EBITDA* fell by £0.368m to £0.215m from £0.583m in H1 FY2025. This resulted in a decrease in EBITDA margin to 11.6%, compared to 26.8% in H1 FY2025. It is expected that the EBTIDA margin will increase during H2 and will recover during 2027 when the Filefinder end of life benefits are fully realised.

Operating profit/(loss) and profit/(loss) before tax

The Group operating loss, before acquisition related, reorganisation and other items, was a loss of (£0.272m) compared to an operating profit of £0.079m in H1 FY2025.

Inclusive of acquisition related and other items, the operating loss was (£0.397m) compared to a profit of £0.024m in H1 FY2025.

The loss before tax increased to (£0.463m) from (£0.048m) in H1 FY2025.

Taxation

The net tax credit for H1 is £0.081m (H1 FY2025: £0.028m).

Balance sheet

The Group's net assets increased to £4.009m (H1 FY2025: £3.288m) with trade and other receivables increasing to £0.392m (H1 FY2025: £0.310m). Trade and other payables decreased to £1.416m (H1 FY2025: £1.509m).

R&D development

The Group capitalised £0.393m in development costs in the period (H1 FY2025: £0.414m) as the business continued its commitment to developing its products. Amortisation of development costs was £0.473m (H1 FY2025: £0.485m)

Financing

The Group's CBILS loan was repaid in full during the period (£0.150m), and the overdraft was cleared (£0.211m). The Group also has loans totalling £0.820m (31 December 2025: £0.820m), of which £25k was repayable on demand and has been repaid during September 2026. Of the remaining amounts, £0.675m reach maturity in summer 2028, with the remaining £0.120m maturing in summer 2029. As mentioned above the loan holders have indicated their intention to ask the Company to convert the loans to shares at a price of 14p. This conversion would clear the remaining balance of loan notes.

Cashflow

The cashflow has been buoyed by the £1.5m equity raise in February 2026 (net £1.375m after fees). As a result, the net change in cash improved to £0.646m (H1 FY2025: (£0.004m)).

Net cash generated from operating activities decreased to (£0.109m) (2025: £0.528m).

At 30 June 2026, we had a cash balance of £0.436m (2025: utilisation £0.080m).

Summarised cashflow	**H1 FY2026** £'000	**H1 FY2025** £'000
Net cash from normalised operating activities	(109)	528
Investing Activities – net	(395)	(419)
Financial Activities - net	1,150	(113)
Net change in cash and cash equivalents	646	(4)
Cash and cash equivalents at beginning of period	(211)	(74)
Effect of foreign exchange rate changes	1	(2)
Cash and cash equivalents at 30th June	436	(80)

Outlook

The second half of 2026 is a period of significant change for the Group. Gareth Hawkins joined as Chief Executive Officer on 28 September, and we will shortly publish a circular convening a General Meeting, expected to be held towards the end of October. At that meeting, shareholders will be asked to approve the Group's new strategy and the conversion of approximately £0.795m of loan notes into ordinary shares. If approved, the conversion will strengthen the balance sheet, reduce annual interest costs by approximately £73,000 and put the Group in a stronger position to raise the funding the new strategy will require.

The migration of FileFinder clients to Talentis is progressing well and we expect it to complete in January 2027, when FileFinder Anywhere will be withdrawn.

Some cost savings will be seen in H2 and a broader programme already underway to reduce the cost base, improve financial performance and adopt best practices of successful vertical market software businesses, will lead to significant six figure annualised savings from the new year.

While there are budgeted one-off costs associated with this programme in H2 2026 and into 2027, the plan aims to put Ikiru People on a much stronger base by H2 2027. The initial objective is to achieve a minimum operating margin of 25%, while building a more efficient organisation with a clear focus on its customers, continuous innovation, extensive use of AI and ongoing operational improvement.

Thereafter, the generated cashflow is expected to contribute towards funding the Group's declared serial-acquisition strategy, subject to that strategy gaining shareholder approval.

The Board believes the Group now has the leadership and strategy in place to create long-term value for shareholders. We look forward to updating shareholders as the acquisition programme develops.

Giles Fearnley

30 September 2026

Dillistone Group Plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	6 Months ended 30 June		Year ended 31 Dec
		2026 Unaudited £'000	2025 Unaudited £'000	2025 Audited £'000
Revenue	4	1,854	2,173	4,202
Cost of sales		(216)	(224)	(441)
Gross profit		1,638	1,949	3,761
Administrative expenses		(2,056)	(1,925)	(4,022)
Other Income		21	-	73
Result from operating activities	4	(397)	24	(188)
Analysed as:				
Result from operating activities before acquisition related, reorganisation and other items		*(272)*	*79*	*166*
Acquisition related, reorganisation and other items	5	*(125)*	*(55)*	*(354)*
Result after acquisition related items		*(397)*	*24*	*(188)*
Financial cost		(66)	(72)	(155)
(Loss) / Profit before tax		**(463)**	**(48)**	**(343)**
Tax income	6	81	28	45
(Loss) / Profit for the period		**(382)**	**(20)**	**(298)**
Other comprehensive income net of tax:				
Currency translation differences		2	(7)	(5)
Total comprehensive (loss) / income for period net of tax		**(380)**	**(27)**	**(303)**
Earnings per share (pence)				
Basic	8	(1.24)	(0.10)	(1.46)
Diluted		(1.24)	(0.10)	(1.46)

Dillistone Group Plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 June 2026	*As at 30 June 2025*	*As at 31 Dec 2025*
	Unaudited	*Unaudited*	*Audited*
ASSETS	*£'000*	*£'000*	*£'000*
Non-current assets			
Goodwill	3,415	3,415	3,415
Intangible assets	2,070	2,520	2,177
Right of use assets	171	193	182
Property plant & equipment	7	13	8
	5,663	6,141	5,782
Current assets			
Trade and other receivables	392	310	337
Current tax receivable	8	-	-
Cash and cash equivalents	436	-	-
	836	310	337
Total assets	**6,499**	**6,451**	**6,119**
EQUITY AND LIABILITIES			
Equity			
Share capital	1,771	1,021	1,021
Share premium	2,278	1,653	1,653
Merger reserve	365	365	365
Convertible loan reserve	14	14	14
Retained earnings	(497)	150	(124)
Share option reserve	18	29	27
Translation reserve	60	56	58
Total equity	4,009	3,288	3,014
Liabilities			
Non current liabilities			
Trade and other payables	58	116	153
Lease liabilities	173	181	175
Borrowings	795	820	795
Deferred tax	73	223	159
Total non-current liabilities	1,099	1,340	1,282
Current liabilities			
Trade and other payables	1,358	1,393	1,415
Lease liabilities	8	18	15
Borrowings	25	380	386
Current tax payable	-	32	7
Total current liabilities	1,391	1,823	1,823
Total liabilities	2,490	3,163	3,105
Total liabilities and equity	**6,499**	**6,451**	**6,119**

The interim report was approved by the Board of directors and authorised for issue on 30 September 2026. They were signed on its behalf by:

P Mather IJ Mackin

Dillistone Group Plc

CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months ended 30 June		*Year ended 31 December*
	2026 Unaudited	2025 Unaudited	2025 Audited
	£'000	£'000	£'000
Operating Activities			
(Loss) before tax	(463)	(48)	(343)
Adjustment for			
Financial cost	66	72	155
Depreciation and amortisation	514	531	1,077
Share option expense	-	-	2
Other Income – RDEC Credit	(21)	-	(73)
Intangible impairment	-	-	257
Other including foreign exchange adjustments arising from operations	1	(5)	(4)
Operating cash flows before movements in working capital	**97**	**550**	**1,071**
Decrease / (Increase) in receivables	(55)	120	93
(Decrease) in payables	(151)	(203)	(144)
Net taxation (Paid) / repaid	-	61	62
Net cash generated from operating activities	**(109)**	**528**	**1,082**
Investing Activities			
Purchases of property plant and equipment	(2)	(5)	(5)
Sale of fixed assets	-	-	-
Investment in development costs	(393)	(414)	(858)
Net cash used in investing activities	**(395)**	**(419)**	**(863)**
Financing Activities			
Finance cost	(66)	(72)	(155)
Lease payments made	(9)	(11)	(20)
Proceeds from loan notes	-	120	120
Proceeds from share issue	1,375	-	-
Bank loan repayments	(150)	(150)	(300)
Net cash generated from financing activities	**1,150**	**(113)**	**(355)**
Net change in cash and cash equivalents	**646**	**(4)**	**(136)**
Cash and cash equivalents at beginning of the period	(211)	(74)	(74)
Effect of foreign exchange rate changes	1	(2)	(1)
Cash and cash equivalents at end of period	**436**	**(80)**	**(211)**

Dillistone Group Plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Merger Reserve	Retained earnings	Convertible loan reserve	Share option	Foreign exchange	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2025	**1,021**	**1,653**	**365**	**(124)**	**14**	**27**	**58**	**3,014**
Comprehensive income								
Loss for the 6 months ended 30 June 2026	-	-	-	(382)	-	-	-	(382)
Other comprehensive income								-
Exchange differences on translation of overseas operations	-	-	-	-	-	-	2	2
Total comprehensive loss	-	-	-	(382)	-	-	2	(380)
Transactions with owners								
Share Issue	750	625	-	-	-	-	-	1,375
Share option charge	-	-	-	9	-	(9)	-	-
Balance at 30 June 2026	**1,771**	**2,278**	**365**	**(497)**	**14**	**18**	**60**	**4,009**
Balance at 31 December 2024	**1,021**	**1,653**	**365**	**170**	**14**	**29**	**63**	**3,315**
Comprehensive income								
Loss for the 6 months ended 30 June 2025	-	-	-	(20)	-	-	-	(20)
Other comprehensive income								-
Exchange differences on translation of overseas operations	-	-	-	-	-	-	(7)	(7)
Total comprehensive loss	-	-	-	(20)	-	-	(7)	(27)
Transactions with owners								
Share option charge	-	-	-	-	-	-	-	-
Balance at 30 June 2025	**1,021**	**1,653**	**365**	**150**	**14**	**29**	**56**	**3,288**

NOTES TO THE UNAUDITED INTERIM REPORT

1. Basis of Preparation

The financial information for the six months ended 30 June 2026 included in this condensed interim report comprises the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, the consolidated statement of changes in equity and the related notes.

The financial information in these interim results is that of the holding company and all of its subsidiaries (the Group). It has been prepared in accordance with UK adopted international accounting standards, IFRIC Interpretations and the Companies Act 2006 but does not include all of the disclosures that would be required under International Financial Reporting Standards (IFRSs). The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the year ended 31 December 2025 and are those which will form the basis of the 2026 financial statements.

The comparative financial information presented herein for the year ended 31 December 2025 does not constitute full statutory accounts for that period. The Group's annual report and accounts for the year ended 31 December 2025 have been delivered to the Registrar of Companies. The Group's independent auditor's report on those statutory accounts was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Going concern

The directors have continued to perform detailed forecasting on a regular basis. It has recently undertaken a full forecasting exercise to December 2028, which takes into account current trading and expectations, expected cash savings, cash balances and overdraft facilities. The forecasts have undergone scenario testing with various mitigations identified which can be put in place should the need arise to implement this.

Considering the above points, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least the next 12 months from the date of this interim report. For this reason, the Directors continue to adopt the going concern basis in preparing the interim financial information.

Dillistone Group Plc is the Group’s ultimate parent company. It is a public listed company and is domiciled in the United Kingdom. The address of its registered office and principal place of business is 9 Cedarwood, Crockford Lane, Chineham Business Park, Basingstoke, RG24 8WD. Dillistone Group Plc’s shares are listed on the Alternative Investment Market (AIM).

2. Share Based Payments

The Company operates two share option schemes. The fair value of the options granted under these schemes is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period at the end of which the option holder may exercise the option. The fair value of the options granted is measured using the Black-Scholes model.

3. Reconciliation of adjusted operating profits to consolidated statement of comprehensive income

6 months ended 30 June 2026 and 30 June 2025

	Adjusted operating profits 30-Jun-2026	Acquisition and reorganisation related items 2026*	30-Jun-2026	Adjusted operating profits 30-Jun-2025	Acquisition and reorganisation related items 2025*	30-Jun-2025
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	1,854	-	1,854	2,173	-	2,173
Cost of sales	(216)	-	(216)	(224)	-	(224)
Gross profit	1,638	-	1,638	1,949	-	1,949
Administrative expenses	(1,931)	(125)	(2,056)	(1,870)	(55)	(1,925)
Other Income	21	-	21	-	-	-
Results from operating activities	(272)	(125)	(397)	79	(55)	24
Financial cost	(66)	-	(66)	(72)	-	(72)
(Loss) before tax	(338)	(125)	(463)	7	(55)	(48)
Tax (charge) / income	74	7	81	23	5	28
Profit / (loss) for the period	(264)	(118)	(382)	30	(50)	(20)
Other comprehensive income net of tax:						
Currency translation differences	2	-	2	(7)	-	(7)
Total comprehensive (loss) / profit for the period net of tax	**(262)**	**(118)**	**(380)**	**23**	**(50)**	**(27)**

* *see accounts note 5*

Earnings per share – from continuing activities

Basic	**(0.86p)**	**(1.24p)**	**0.15p**	**(0.10p)**
Diluted	**(0.86p)**	**(1.24p)**	**0.15p**	**(0.10p)**

Dillistone Group Plc

Year Ended 31 December 2025

	Adjusted operating profits 31 December 2025	Acquisition and reorganisation related items 31 December 2025*	31 December 2025
	£'000	£'000	£'000
Revenue	4,202	-	4,202
Cost of sales	(441)	-	(441)
Gross profit	3,761	-	3,761
Administrative expenses	(3,668)	(354)	(4,022)
Other Income	73	-	73
Results from operating activities	166	(354)	(188)
Financial cost	(155)	-	(155)
Profit / (Loss) before tax	11	(354)	(343)
Tax income	31	14	45
Profit / (Loss) for the year	42	(340)	(298)
Other comprehensive income net of tax:			
Currency translation differences	(5)	-	(5)
Total comprehensive Profit / (Loss) for the year net of tax	**37**	**(340)**	**(303)**

* *see accounts note 5*

Earnings per share – from continuing activities

Basic	*0.21p*	*(1.46p)*
Diluted	*0.21p*	*(1.46p)*

4. Segment reporting

Results

	6 months ended 30 June		Year ended 31 Dec
	2026 £'000	2025 £'000	2025 £'000
Results from operating activities			
Ikiru People	(223)	59	118
Central	(49)	20	48
Reorganisation and other costs	(98)	(28)	(300)
Amortisation of acquisition intangibles and other one off costs or income	(27)	(27)	(54)
Result from operating activities	(397)	24	(188)

Geographical segments

The following table provides an analysis of the Group's revenues by geographical market.

	6 months ended 30 June		Year ended 31 Dec
	2026 £'000	2025 £'000	2025 £'000
UK	1,470	1,730	3,312
Europe	169	179	349
Americas	107	151	294
Australia	59	71	141
ROW	49	42	106
	1,854	2,173	4,202

4. Segment reporting (continued)

Business Segment

The following table provides an analysis of the Group's revenues by products and services.

	6 months ended 30 June		Year ended 31 Dec
	2026	2025	2025
	£'000	£'000	£'000
Recurring	1,668	1,966	3,750
Non recurring	128	150	320
Third party revenues	58	57	132
	1,854	2,173	4,202

'Recurring income' represents all income recognised over time, whereas 'Non-recurring income' represents all income recognised at a point in time. Recurring income includes all support services, software as a service income (SaaS) and hosting income. Non-recurring income includes sales of new licenses, and income derived from installing those licenses including training, installation, and data translation. Third party revenues arise from the sale of third party software.

Business Sector

The following table provides an analysis of the Group's revenues by market sector.

	6 months ended 30 June		Year ended 31 Dec
	2026	2025	2025
	£'000	£'000	£'000
Contingent	1,325	1,486	2,913
Executive Search	529	687	1,289
	1,854	2,173	4,202

5. Acquisition related items and other one off costs

	6 months ended 30 June		Year ended 31 Dec
	2026	2025	2025
	£'000	£'000	£'000
Reorganisation and other costs	98	28	43
Impairment of capitalised development	-	-	257
Amortisation of acquisition intangibles	27	27	54
Total	125	55	354

6. Tax

	6 months ended 30 June		Year ended 31 Dec
	2026	2025	2025
	£'000	£'000	£'000
Current tax	5	(8)	18
Prior year adjustment – current tax	-	-	2
Deferred tax release	(79)	(13)	(43)
Prior year adjustment – deferred tax	-	-	(8)
Deferred tax rate change	-	(2)	-
Deferred tax re acquisition intangibles	(7)	(5)	(14)
Tax credit for the period	(81)	(28)	(45)

The tax charge is calculated for each jurisdiction based on the estimated position for the year. Deferred tax has been provided at a rate of 25% (2025: 25%).

7. Dividends

The Board has decided not to pay an interim dividend (2025: nil per share).

8. Earnings per Share

	6 months ended 30 June		Year ended 31 Dec
	2026	2025	2025
Basic earnings per share			
Profit / (Loss) attributable to ordinary shareholders	(£382,000)	(£20,000)	(£298,000)
Weighted average number of shares	30,777,137	20,418,021	20,418,021
Basic earnings / (loss) per share (pence)	(1.24)	(0.10)	(1.46)

The weighted average number of shares takes into account the 15,000,000 shares added through the equity raise on 25th February.

Associated with the equity raise, on a 1-1 relationship 15,000,000 warrants were issued. They are exercisable from three to six years after the initial equity issue at a price of £0.1611. At the interim date they are anti-dilutive.

9. Related party transactions

The Company has related party relationships with its subsidiaries, its directors, and other employees of the Company with management responsibility.

The Directors participated in the issue of loan notes in 2017 which carry interest at 8.15% per annum payable quarterly in arrears.

The Directors participated in the issue of convertible loan notes in 2024 which carry interest at 9.85% per annum payable quarterly in arrears.

The Group received a £120,000 unsecured loan during 2025 which carries interest at 10.85% per annum payable quarterly in arrears to a related party.

Each of the three loans is proposed to be converted into equity at a forthcoming General Meeting to be arranged in late October.

There were no transactions with any other related parties.

10. Cautionary statement

This Interim Report has been prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for these strategies to succeed. The Interim Report should not be relied on by any other party or for any other purpose. The Interim Report contains certain forward-looking statements with respect to the financial condition, results of operations and businesses of the Company. These statements are made in good faith based on the information available to them up to the time of their approval of this report. However, such statements should be treated with caution as they involve risk and uncertainty because they relate to events and depend upon circumstances that will occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements. The continuing uncertainty in global economic outlook inevitably increases the economic and business risks to which the Company is exposed. Nothing in this announcement should be construed as a profit forecast.