

SpaceandPeople plc
("SpaceandPeople" or the "Group")
Final results for the year ended 31 December 2024

Financial highlights

- Revenue increased by 15% to £6.7 million (2023: £5.8 million)
- Operating profit up 33% to £0.3million (2023: profit of £0.2 million)
- Basic Earnings per Share of 14.1p up 81% (2023: 7.8p)
- Cash at the year-end of £1.9 million (2023: £1.9 million) after further reduction in debt of £322k - net cash up 46% to £1.04 million (2023: £0.71 million)

Operational highlights

- New 5-year Network Rail contract won in a competitive tender, giving the Group a significant USP through the exclusive right to access to many of the highest footfall venues across the UK
- Retail contract with ECE, Germany's largest shopping centre owner and manager, extended for a further 5 years allowing us to continue to grow and accelerate our European presence
- Continued strong growth in business transacted in both the UK and Germany, particularly in UK Brand Experience, up 36% compared with 2023
- Rock Up and Pop Up ("RUPU") kiosk programme continues to grow well with 26 kiosks trading in 14 venues by the end of 2024, with further expansion being delivered in 2025

Chair's Statement

The Group performed very well operationally in 2024 with strong revenue and profit growth as well as continued net debt reduction. There has also been very good strategic progress with the major Network Rail 5 year contract renewal after a robust competitive tendering process in the UK and the ECE contract renewal, also for 5 years, in Germany. There has been steady progress on other strategic objectives, such as new product growth and wider European expansion, but more remains to be achieved. These areas will be a major focus in 2025 as the significant management resource devoted to the contract renewal processes in 2024 is realigned and targeted to deliver these key strategic objectives.

Key business developments and the 2024 financial performance of the Group are covered in more detail in Nancy Cullen's CEO Report and Gregor Dunlay's Operating and Financial Review so as usual I will not duplicate these here.

The strategic growth opportunities in the UK and Europe are clear and there is an intense internal focus on achieving these. In addition, implementing new technology tools to assist with this expansion and to drive efficiency savings from the existing cost base is another key objective and one which your Board has prioritised for the coming year.

SpaceandPeople remains a strongly cash generative business which has limited capital expenditure needs and, as I have noted previously, we will look to return to paying dividends at a suitably prudent time when distributable reserves permit.

I would again like to thank all colleagues across the business and my fellow Board members for their hard work, support and input throughout a year of strong performance and achievement. I am excited about the growth opportunities being pursued and the potential for another year of strong results delivery in 2025.

George Watt
Chair

Chief Executive Officer's Review

It is said that the more we connect digitally, the more we crave human interaction and as SpaceandPeople enters its 25th year of trading, this statement is holding true. We are pleased to announce that 2024 continued to demonstrate the robust nature of our business, the strength of our relationships with both venues and space buyers, our ability to develop new businesses that meet market needs and the incredible quality and talent of our teams who continue to grow the revenues generated by the business.

Our business has evolved over the last few years and will continue to do so. We are the longest established business in our

market, but we are also increasingly focused on flexible solutions to enable new products and services to make use of the spaces that we have in some of the highest footfall venues across the UK and Germany.

2024 was, however, about consolidation, as we cemented our relationships with key clients and continued growth in two important areas of the business. In terms of our key relationships, the retention of the Network Rail contract enables us to continue to market and sell some of the highest profile sites in the UK including London Waterloo, London King's Cross and London Victoria. We also announced an extension to our relationship with ECE in Germany, which is a long standing agreement that has continued to prosper and develop and gives us exclusive access to installing retail units into a total of 59 ECE owned and managed shopping centres in Germany.

Overall, Group revenue increase by £0.88 million (15%) to £6.72 million, with the UK recording revenue growth of 17% in promotions to £4.08 million and German retail recording revenue growth of £0.29 million (16%) to £2.12 million.

UK Promotions

Our brand department enjoyed a very strong year and we continued to be impressed and excited about the quality and range of activity that we managed on behalf of brand agencies. There is a move towards less traditional campaigns with more ambitious large scale builds and during the year our venues hosted events timed to coincide with major sporting occasions such as Nike taking space at Olympic Park and Manchester city centre with hand painted shipping containers celebrating athletes from the Diamond League as well as Heineken taking events space during the Champions League final. We also booked the façade of the iconic Battersea Power Station Towers for an animated Lego display.

We are seeing a big increase in both the variety of venues booked and a mix of indoor and outdoor locations, as well as growth from specific sectors, such as cosmetic and beauty brands, booking spaces extensively nationwide. During the year, as an example, we hosted activity for over 40 major UK beauty brands utilising our most high-profile spaces for brand awareness and direct sales including for Dior, Chanel, Charlotte Tilbury, Estee Lauder and MAC.

Food and drink companies have typically used experiential for brand awareness, sampling, promoting product extension and innovation. In 2024 this continued to hold true, with food sampling accounting for 10% of booked activity and confectionary and snack brands being especially prominent. Australian chocolate biscuit brand Tim Tam launched in the UK market and distributed 2,000 samples at London King's Cross Station to boost visibility and brand recognition during the launch period. Other food brands, including Chupa Chups, Kettle Chips, Fridge Raiders and Bonne Maman, also utilised sampling campaigns to raise brand awareness and connect with their target audience nationwide.

Following market research amongst our buyers that revealed their desire for better data to inform their venue decisions, we launched our CORE insights database, a real time database of results, emanating from venues across the UK, enabling promoters and retailers to assess the results that they can expect from a campaign, be it the number of samples they can expect to distribute at any location or the sales that their product category typically achieves in a venue. This CORE database is unique and market leading which alongside extensive demographic and footfall data, collated by us, provides space buyers with absolute intelligence about the quality of our sites.

During the year we also continued to work on our brand database, www.experientialspace.co.uk, and new facilities and mechanisms for contacting us are proving important channels for our space buyers, giving them mobile enabled access to our service via live chat and now WhatsApp messaging.

UK Retail

The UK mall retail business continued to deliver strong revenue and the team is focused on driving this further in 2025, both at indoor and outdoor venues. As we are all aware, retail in all its forms is having to adapt to new purchasing behaviours both on and offline, including the use of pop up retail by major brands in the run up to Christmas.

Our Rock Up solution for brands works equally as well for major brands as it does for those companies who have never trialled physical retail before. Our service assists the growth of new business and also meets demands from our client venues, who want vitality and interest on their malls. Our end to end Rock Up service expanded further in 2024 and by the end of the year we had 26 kiosks trading in 14 venues. During the year, we created pop ups for new brands such as Diso (recently on Dragons Den) and Iris Art in Westfield London, existing retailers looking to expand such as Beard Surgeon and Candles & Oud and major brands looking to reinforce in store sales. A good example of this is Lush, who used our service to sell their gifting packages in the run up to Christmas, to help manage store capacity issues over this period and to test out new centre locations.

We have ambitious plans for this product moving forward and we will continue to expand our network of prestigious venues to facilitate further product growth, venue trials, incremental sales and face to face engagement for brands across the UK and in Europe.

An important part of this service is our ability to design, install and maintain multiple retail kiosks across the UK and we have recently taken the decision to relocate our warehouse to Daventry to a higher quality, bigger unit which will become the hub of

our operations division moving forward. This move signifies our intent to continue to grow our business by offering end to end solutions and support packages to any brand that wishes to trial retailing, sampling or acquiring new customers.

Germany

Our German business continued to grow revenue by installing more units at a higher average price into shopping centres and we are delighted to be continuing to represent our major customer ECE in respect of their on mall retail. The 16% growth in revenue to £2.12 million has led to a 48% increase in profit before taxation to £0.18 million.

There is also potential for growth using this team's specific skills and expertise to expand our retail presence in other countries and in 2024, we introduced retail units into O'Parinor shopping centre in Paris, Novy Smichov in Prague and Hoog Catherijne in Utrecht. Although growth is granular, at the moment, for this aspect of our business we anticipate entering into further agreements in Europe during 2025.

We also strengthened our Brand Experience presence in Europe in 2024 by employing an Account Manager working from our Hamburg office to support the work of our UK brand team to fulfil international requests from brands and agencies and to develop the brand business in Germany. We have had some immediate success in this ambition with Playmobil booking in Paris, Shein booking in Mulheim and Sum Up in Berlin.

Outlook

I am delighted with the year's results and specifically with our renewed contracts with two key clients. These two contract wins consolidate our market positioning both in the UK and across Europe providing us with an ideal platform to continue to grow our brand and retail businesses.

2025 is a year for development and change in the business. In addition to moving our operational base, to be more centrally located in the UK, we are looking at a product launch aimed to stimulate demand from new space buyers, increased international development beyond Germany, widening our portfolio of venues and ambitious use of new technologies and digital outreach to streamline and grow the business moving forward. This is all being carried out against the backdrop of ensuring that we meet the business targets and sales goals that we have identified to meet our profit goals in 2025. It is an exciting time for SpaceandPeople and, as ever, I would like to thank everyone who works in the business for their passion and commitment to achieving our goals.

Nancy Cullen
Chief Executive Officer

Operating and Financial Review

During 2024, the Group continued to deliver increasing revenue and profitability across the business. Following on from a strong H1, revenue in H2 continued to track above the high levels of H2 2023. All revenue streams showed good year on year growth and increased their contribution to overall profitability, with the Group delivering a profit before tax of £0.22 million (2023: £0.10 million) and finishing the year with a strong cash position while continuing to repay debt.

Revenue

Net revenue* generated in 2024 was £5.45 million, which was £0.68 million (14%) higher than in the previous year. This was made up as follows:

	2024	2023	
	£ million	£ million	Movement
UK promotions	4.08	3.49	+17%
UK retail	0.52	0.52	+1%
German retail (net of cost of sales)*	0.85	0.76	+12%
Total	5.45	4.77	+14%

**Note: In line with IFRS 15, UK revenue is recognised on a net basis, with German revenue recognised gross, due to its performance conditions. For the purpose of the table above, German revenue has been presented on a net basis to provide a direct comparison between divisions. German revenue on a gross basis amounted to £2.12 million for FY24 (FY23: £1.83 million), as detailed in note 4 to the financial statements.*

Net UK promotional revenue was up 17% to £4.08 million compared with the previous year, with consistent revenue across the year, where previously it has been heavily focused on H2.

In the UK retail division, the continuing roll out of our RUPU business has led to increased revenue, with 26 kiosks in operation at the end of 2024 compared with 17 at the end of 2023. These kiosks are attractive to both venue owners and retailers and, as a result, we are able to place innovative and appealing products into desirable locations with impressive results.

The German retail business continued to grow well during 2024 with net revenue increasing by 12% to £0.85 million. Following the 42% growth in kiosks in operation during 2023, the business grew more modestly to 118 kiosks and spaces from 111, an increase of 6%, however, this growth in revenue led to a 48% increase in profit before taxation.

Administrative Expenses

Administrative costs including depreciation increased by £0.64 million (14%) from the previous year to £5.42 million. This was driven almost entirely by increased staff costs in both the UK and Germany, with further new staff recruitment (average headcount increased from 57 to 62) and commission and bonus targets being met as revenue exceeded targets as well as ongoing wage inflation.

Other Operating Income

Other operating income in relation to fees generated by the business increased by 17% to £0.28 million (2023: £0.24 million). This income is generated by the German retail division and grew in line with the increase in revenue in this division.

Operating Results

As a result of the increase in revenue in 2024, the improvement in Group operating profit continued with profit of £0.32 million, compared with £0.24 million achieved in 2023.

Earnings Per Share

In 2023, Basic Earnings per Share was 14.1p (2023: 7.8p) and Diluted Earnings per Share was 12.8p (2022: 7.1p).

Cash Flow

The Group cash inflow from operations was £0.76 million (2023: £0.70 million). This was as a result of positive EBITDA of £0.62 million with the remainder being due to movements in working capital. As at the end of 2024, the Group had outstanding term loans of £0.84 million (2023: £1.16 million). With the gross cash position at the end of 2024 being the same as at the previous year end at £1.87 million (2023: £1.87 million), net cash was £1.04 million (2023: £0.71 million).

Gregor Dunlay
Chief Financial Officer

Strategic Report

Key Performance Indicators

The main financial key performance indicators are profit before taxation, EBITDA and available cash. During the year, the profit before taxation was £0.2 million (2023: £0.1 million) and net cash at 31 December 2024 was £1.04 million (2023: £0.71 million). This is comprised of gross cash of £1.87 million less outstanding term loans of £0.84 million. Basic EPS was 14.1p (2023: 7.8p).

The Group continually monitors several key areas:

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

	2024	2023
Revenue (£ million)	6.7	5.8
Operating profit (£ million)	0.3	0.2
Basic earnings per share (p)	14.1	7.8

Contact details:**SpaceandPeople Plc****0845 241 8215**

Nancy Cullen, Gregor Dunlay

Zeus (Nominated Adviser and Broker)**0203 829 5000**

David Foreman, Ed Beddows

Consolidated Statement of Comprehensive Income

	Notes	12 months to 31 December 2024	12 months to 31 December 2023
		£'000	£'000
Continuing Operations			
Revenue	4	6,723	5,840
Cost of sales	4	(1,270)	(1,071)
Gross profit		5,453	4,769
Administration expenses	4	(5,416)	(4,771)
Other operating income	5	282	241
Operating profit	6	319	239
Finance income	8	15	-
Finance costs	8	(109)	(136)
Profit before taxation		225	103
Taxation	9	44	45
Profit after taxation		269	148
Other comprehensive income			
Foreign exchange differences on translation of foreign operations		(10)	2
Total comprehensive income for the period		259	150
Earnings per share			
Basic	22	14.1p	7.8p
Diluted	22	12.8p	7.1p

Consolidated Statement of Financial Position*At 31 December 2024*

	Notes	31 December 2024 £'000	31 December 2023 £'000
Assets			
Non-current assets:			
Goodwill	11	5,381	5,381
Property, plant & equipment	12	613	560
Deferred tax asset	14	294	250
		6,288	6,191
Current assets:			
Trade & other receivables	13	1,804	1,799
Cash & cash equivalents	15	1,872	1,872
		3,676	3,671
Total assets		9,964	9,862
Liabilities			

Current liabilities:			
Trade & other payables	16	5,417	5,144
Borrowings repayable within one year	17	211	322
Lease liabilities	18	128	204
		5,756	5,670
Non-current liabilities:			
Borrowings repayable after one year	17	625	836
Lease liabilities	18	114	149
		739	985
Total liabilities		6,495	6,655
Net assets			
		3,469	3,207
Equity			
Share capital	20	195	195
Share premium		4,868	4,868
Special reserve		233	233
Own shares held	24	(50)	(50)
Retained earnings		(1,777)	(2,039)
Total equity		3,469	3,207

Consolidated Statement of Cash Flows

For the 12 months ended 31 December 2024

	Notes	12 months to 31 December 2024 £'000	12 months to 31 December 2023 £'000
Cash flows from operating activities			
Cash generated from operations		874	828
Interest paid	8	(109)	(136)
Taxation		-	3
Net cash inflow from operating activities		765	695
Cash flows from investing activities			
Purchase of property, plant & equipment	12	(226)	(214)
Interest received	8	15	-
Net cash outflow from investing activities		(211)	(214)
Cash flows from financing activities			
Bank facility payments		(322)	(322)
Payment of lease obligations	18	(232)	(172)
Net cash outflow from financing activities		(554)	(494)
(Decrease) / increase in cash and cash equivalents		-	(13)
Cash and cash equivalents at beginning of Period		1,872	1,885
Cash and cash equivalents at end of period	15	1,872	1,872
Reconciliation of operating profit to net cash flow from operating activities			
Operating profit		319	239
Depreciation of property, plant & Equipment	12	297	309
Effect of foreign exchange rate moves		(10)	2
Decrease / (increase) in receivables		(5)	725
(Decrease) / increase in payables		273	(447)
Cash inflow from operating activities		874	828

Consolidated Statement of Changes in Equity

For the 12 months ended 31 December 2024

Share capital	Share premium	Special reserve	Own Shares held	Retained Earnings	Total equity
£'000	£'000	£'000	£'000	£'000	£'000

At 31 December 2022	195	4,868	233	(50)	(2,194)	3,052
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Comprehensive income:

Foreign currency translation	-	-	-	-	2	2
Profit for the period	-	-	-	-	148	148
Total comprehensive income	-	-	-	-	150	150
Equity settled share-based payment	-	-	-	-	5	5
At 31 December 2023	195	4,868	233	(50)	(2,039)	3,207

Comprehensive income:

Foreign currency translation	-	-	-	-	(10)	(10)
Profit for the period	-	-	-	-	269	269
Total comprehensive income	-	-	-	-	259	259
Equity settled share-based payment	-	-	-	-	3	3
At 31 December 2024	195	4,868	233	(50)	(1,777)	3,469

Notes to the Financial Statements

4. Segmental reporting

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

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

Segment revenues and

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

Segment revenues and Results for 12 months to 31 December 2023

	Promotion UK £'000	Retail UK £'000	Retail Germany £'000	Head Office £'000	Group £'000
Segment Revenue:					
- Agent	3,490	289	-	-	3,779
- Principal	-	231	1,830	-	2,061
	3,490	520	1,830	-	5,840
Cost of sales	-	-	(1,071)	-	(1,071)
Administrative expenses	(2628)	-	(849)	(985)	(4,462)
Other revenue	-	-	241	-	241
Depreciation	(107)	-	(27)	(175)	(309)
Segment operating profit / (loss)	755	520	124	(1,160)	239
Finance costs	-	-	-	(136)	(136)
Segment profit / (loss) before taxation	755	520	124	(1,296)	103

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

assets. Segment liabilities comprise operating liabilities. Head office liabilities include corporate borrowings.

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

<u>Segment assets and liabilities</u> <u>as at 31 December 2023</u>	UK £'000	Germany £'000	Head Office £'000	Group £'000
Total segment assets	8,453	833	576	9,862
Total segment liabilities	(4,653)	(491)	(1,511)	(6,655)
Total segment net assets	3,800	342	(935)	3,207

5. Other operating income

Other operating income is comprised:

	12 months to December 2024 £'000	12 months to December 2023 £'000
Ancillary charges	282	241
	282	241

6. Operating profit

The operating profit is stated after charging

	12 months to December 2024 £'000	12 months to December 2023 £'000
Depreciation of property, plant and equipment	98	133
Depreciation of right of use assets	199	176

Auditor's remuneration:

Fees payable for:

Audit of Company	57	57
Audit of subsidiary undertakings	9	9
Audit related services	11	9
Tax compliance	4	10
Other tax services	2	3
Other services	2	5
	85	93

Directors' remuneration

	931	747
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7. Staff costs

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

	12 months to December 2024	12 months to December 2023
Executive Directors	3	3
Non-executive Directors	3	3
Administration	18	19
Sales	23	21
Commercial	8	6
Maintenance	7	5
	62	57

	12 months to December 2024 £'000	12 months to December 2023 £'000
Wages and salaries	3,213	2,786
Social Security costs	432	330
Pensions	204	159
	3,849	3,275

Details of Directors' emoluments, including details of share option schemes, are given in the remuneration report on pages 22 and 23. These disclosures form part of the audited financial statements of the Group.

8. Finance income / costs

	12 months to December 2024 £'000	12 months to December 2023 £'000
Finance income	(15)	-
Interest payable on borrowings	88	110
Interest payable on lease obligations	21	26
	<u>94</u>	<u>136</u>

9. Taxation

	12 months to December 2024 £'000	12 months to December 2023 £'000
Current tax expense:		
Current tax on profits for the year	-	-
Adjustment for under/(over) provision in prior periods	-	2
Total current tax	<u>-</u>	<u>2</u>
Deferred tax:		
Credit in respect of temporary timing differences	(44)	(47)
Total deferred tax	<u>(44)</u>	<u>(47)</u>
Income tax credit as reported in the income statement	<u>(44)</u>	<u>(45)</u>

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

	12 months to December 2024 £'000	12 months to December 2023 £'000
Profit on ordinary activities before tax	225	103
Profit on ordinary activities at the standard rate of corporation tax in the UK of 25% (2023: 25%)	56	26
Tax effect of:		
- Adjustment for under provision in prior periods	-	2
- Other timing differences	(23)	-
- Use of tax losses previously not recognised	-	(13)
- Change in unrecognised deferred tax assets	(77)	(60)
Income tax credit as reported in the Income Statement	<u>(44)</u>	<u>(45)</u>

10. Dividends

No dividends were paid during the current or prior year. The Directors do not recommend a final dividend for 2024 (2023: £nil).

11. Goodwill

Cost	£'000
At 31 December 2022	8,225
Additions	-
At 31 December 2023	<u>8,225</u>
Additions	-
At 31 December 2024	<u>8,225</u>
Accumulated impairment losses	
At 31 December 2022	2,844
Charge for the period	-
At 31 December 2023	<u>2,844</u>
Charge for the period	-
At 31 December 2024	<u>2,844</u>

Net book value
At 31 December 2022
At 31 December 2023
At 31 December 2024

5,381
5,381
5,381

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

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

The present value of the future cash flows is then calculated using a discount rate of 13.23% (2023: 13.06%).

This discount rate includes appropriate adjustments to reflect, in the Directors' judgement, the market risk and specific risk of the CGU. It is derived from the Group's weighted average cost of capital. Changes in the discount rate compared to the prior year reflect the latest market assumptions for the risk-free rate, equity risk premium and the cost of debt.

The growth rate utilised in calculation of the terminal factor is based on expected inflationary growth in the UK beyond the period of forecasting. The growth rate used was 1.44% (2023: 1.85%).

Cash flow projections during the budget period are based on the group's approved budget for 2025. Future years growth in EBITDA is set at an average rate other than the RUPU ("Rock up and Pop up") revenue stream which is in an early-stage growth phase. Forecast revenue during the budget period for RUPU is set to a grow at rate greater than the average growth rate.

Overall, the Directors consider the forecasts to be conservative given the plans for the businesses and the potential increased returns particularly in relation to the pipeline of new business opportunities.

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

Critical sensitivity	Point at which impairment would occur
Discount rate	14.20%
Growth rate	0.42%
RUPU forecast revenue	A reduction in annual RUPU forecast revenue by more than 6%

12. Property, plant and equipment

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

Cost	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2022	3,142	312	889	711	198	5,252
Additions	182	6	26	-	110	324
Disposals	(12)	-	-	(31)	(146)	(189)
At 31 December 2023	3,312	318	915	680	162	5,387
Additions	200	3	48	70	29	350
Disposals	(1,757)	(254)	(59)	-	-	(2,070)
Transfers	62	(67)	5	-	-	-
At 31 December 2024	1,817	-	909	750	191	3,667

Depreciation	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2022	3,050	296	843	376	142	4,707
Charge for the period	95	9	29	134	42	309
Depreciation on disposals	(12)	-	-	(31)	(146)	(189)
At 31 December 2023	3,133	305	872	479	38	4,827
Charge for the period	64	3	31	146	53	297
Depreciation on disposals	(1,757)	(254)	(59)	-	-	(2,070)
Transfers	54	(54)	-	-	-	-
At 31 December 2024	1,494	-	844	625	91	3,054

Net book value	Plant & equipment	Fixture & fittings	Computer equipment	Right of use assets property	Right of use assets plant & equipment	Total
	£'000	£'000	£'000	£'000	£'000	£'000

At 31 December 2022	92	16	46	335	56	545
At 31 December 2023	179	13	43	201	124	560
At 31 December 2024	323	-	65	125	100	613

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

13. Trade and other receivables

	31 December 2024 £'000	31 December 2023 £'000
Net trade debtors	1,411	1,359
Other debtors	280	300
Prepayments	113	140
Total	1,804	1,799

Amounts falling due after more than one year included above are:	248	79
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The maximum exposure to credit risk at the balance sheet date is the carrying amount of receivables detailed above. The Group does not hold any collateral as security. No interest is charged on outstanding trade receivables. The carrying amount of trade and other receivables approximates the fair value.

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

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

	31 December 2024 £'000	31 December 2023 £'000
Trade debtors	1,943	1,910
Loss allowance	(532)	(551)
Net trade debtors	1,411	1,359

Movement in loss allowance:

	31 December 2024 £'000	31 December 2023 £'000
1 January	551	771
Additional provisions	143	97
Utilised or released	(162)	(317)
31 December	532	551

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

As of 31 December 2024, trade receivables of £0.9 million (2023: £0.9 million) were past due, but not impaired. The ageing analysis of those debtors is as follows:

	0 - 30 Days £'000	31 - 60 Days £'000	61 Days + £'000	Total £'000
Net amount at 31 December 2024	185	150	563	898
Net amount at 31 December 2023	199	86	571	856

14. Deferred tax

	31 December 2024 £'000	31 December 2023 £'000
Deferred tax asset	294	250
Split as follows:		
Fixed asset timing differences	(13)	22
Tax losses	303	226
Other	4	2
Deferred tax asset	294	250

Movement in the year:		
At 1 January	250	208
Adjustment in respect of losses	77	77
Charge in respect of temporary timing differences on property, plant and equipment	(35)	(28)
Other movements	2	(7)
At 31 December	294	250

Deferred tax is not recognised in respect of tax losses in the UK and Germany that are not expected to be recovered over a forecast period of 5 years against the reversal of deferred tax liabilities or future taxable profits. This amounts to an unrecognised tax asset of £87k (2023: £240k).

15. Cash and cash equivalents

	31 December 2024 £'000	31 December 2023 £'000
Cash at bank and on hand	1,872	1,872
	1,872	1,872

16. Trade and other payables

	31 December 2024 £'000	31 December 2023 £'000
Amounts payable within one year		
Trade creditors	341	314
Other creditors	3,456	3,089
Social Security and other taxes	248	424
Accrued expenses	764	760
Deferred income	608	557
Total	5,417	5,144

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

17. Other borrowings

	31 December 2024 £'000	31 December 2023 £'000
Bank facilities:		
Payable within one year	211	322
Payable after one year	625	836
	836	1,158

As at 31 December 2024, SpaceandPeople plc had £0.84 million (2023: £1.16 million) of CBILS term loans, £0.11 million of which expire in April 2025 and £0.73 million expire in January 2027. SpaceandPeople plc also had £0.75 million of overdraft facilities of which £nil was used as at 31 December 2024 (2023: £nil). These overdraft facilities lapsed in January 2025 and were not renewed as they were no longer required. The bank facilities are secured by floating charge over the Group's assets and are subject to interest between 3.25% and 3.8% plus base. The Group's CBILS term loans are subject to annual and quarterly rolling covenant tests based on EBITDA performance and the right to defer settlement of the balances disclosed as payable after one year is subject to compliance with these covenants.

18. Leases

Amounts recognised in the balance sheet:

The balance sheet shows the following amounts relating to leases:

	31 December 2024 £'000	31 December 2023 £'000
Right of use assets		
Property	55	201
Plant and equipment	170	124
	225	325
Lease liabilities		
Current	128	205
Non-current	114	149
Total	242	354

Amounts recognised in the statement of profit or loss:

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

	12 months to December 2024 £'000	12 months to December 2023 £'000
Depreciation charge of right of use assets		
Property	146	134
Plant and equipment	53	42
	199	176

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

	1 January 2024 £'000	Cash flows £'000	New Leases £'000	Other £'000	31 December 2024 £'000
Current lease liabilities	205	(232)	27	128	128
Non-current lease liabilities	149	-	72	(107)	114
Total liabilities from financing activities	354	(232)	99	21	242

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

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

19. Financial instruments and risk management

The Group has no material financial instruments other than cash, current receivables and liabilities, in both this and the prior period, all of which arise directly from its operations. The net fair value of its financial assets and liabilities is equivalent to their carrying value as detailed in the balance sheet and related notes.

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

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

	Carrying amount £'000	On Demand/within one year £'000	Within 1-2 years £'000	Within 2-5 years £'000	Over 5 years £'000
2024					
Borrowings	836	211	100	525	-
Lease liabilities	242	127	87	28	-
Trade and other payables	5,417	5,417	-	-	-
Total	6,495	5,755	187	553	-

	Carrying amount £'000	On Demand/within one year £'000	Within 1-2 years £'000	Within 2-5 years £'000	Over 5 years £'000
2023					
Borrowings	1,158	322	322	514	-
Lease liabilities	353	204	84	65	-
Trade and other payables	5,144	5,144	-	-	-
Total	6,655	5,670	406	579	-

Borrowing facilities - As at the balance sheet date, the Group had agreed facilities of £1.57 million, of which £0.84 million was utilised at the year end. These facilities are secured by a floating charge.

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

Financial liabilities - These include short-term creditors and CBILS term loans of £0.84 million. All financial liabilities will be financed from existing cash reserves and operating cash flows.

Interest rate risk - The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The interest rates and terms of repayment are disclosed in note 17 to the financial statements. Except as outlined above, the company has no significant interest-bearing assets and liabilities. The company does not use any derivative instruments to reduce its economic exposure to changes in interest rates. An increase or decrease of 1% in interest rate during the year would have resulted in movement of £9k to the Income Statement.

Foreign currency risk - The Group is exposed to moderate foreign exchange risk primarily from Euros due to its German operation and

Euro denominated licensing income as detailed in note 4 - Segmental Reporting. The Group monitors its foreign currency exposure and manages the position where appropriate. A 5% change in the Euro rate at the year-end would have resulted in an additional gain or loss of £10k.

20. Called up share capital

Allotted, issued and fully paid			31 December 2024	31 December 2023
Class	Nominal value			
Ordinary	10p	£	195,196	195,196
		Number	1,951,957	1,951,957

21. Related party transactions

Compensation of key management personnel

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

22. Earnings per share

	12 months to 31 December 2024 Pence per share	12 months to 31 December 2023 Pence per share
Basic earnings per share	14.1p	7.8p
Diluted earnings per share	12.8p	7.1p
	12 months to 31 December 2024 £'000	12 months to 31 December 2023 £'000
Profit after taxation	269	148
Weighted average number of shares	31 December 2024 '000	31 December 2023 '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,903	1,903
Weighted average number of ordinary shares for the purpose of diluted earnings per share	2,098	2,085

The weighted average number of shares is calculated as follows:

	12 months to 31 December 2024	12 months to 31 December 2023
	'000	'000
Weighted average number of shares in issue during the period	1,903	1,903
Weighted average number of ordinary shares used in the calculation of basic earnings per share deemed to be issued for no consideration in respect of employee options	195	182
Weighted average number of ordinary shares used in the calculation of	2,098	2,085

23. Share options

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

In aggregate, share options have been granted under the share option scheme over 193,000 ordinary shares exercisable within the dates and at the exercise prices shown below, being the market value at the date of the grant.

Date of grant	Number	Option period	Price
30 June 2021	80,000	30 June 2024 - 30 June 2031	125p
24 August 2022	76,000	24 August 2025 - 24 August 2032	102.5p
21 December 2023	37,000	21 December 2026 - 21 December 2033	60p

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

	12 months to 31 December 2024	12 months to 31 December 2023
Number of options outstanding as at the beginning of the period	195,000	183,350
Granted	-	37,000
Lapsed / surrendered	-	(24,350)
Forfeited	(2,000)	(1,000)
Number of options outstanding as at the end of the period	193,000	195,000
Weighted average exercise price	104p	104p

The total share-based payment charge for the year, calculated in accordance with IFRS2 on share-based payments, was £3k (2023: £5k). The Black Scholes model was used to obtain the fair value of share options. Further information in respect of the calculation of fair values has not been presented as the fair values are not material to the financial statements.

24. Own shares held

The Group has shares held by the SpaceandPeople plc Employee Benefit Trust for the purpose of issuing shares under the company's share option scheme. The total amount held is £50k (2023: £50k).

25. Commitments

As at the date of this report, the Group has entered into two new lease commitments that began in 2025. The lease in relation to the Glasgow office was varied to extend it for a further 10 years until January 2035, with a break in January 2030 and a new ten year lease was also entered into for a warehouse facility in Daventry and this lease runs until December 2034 with a break in January 2030. The combined annual commitment in relation to these leases is £127k.

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