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Huddled Group PLC
06 May 2025

6 May 2025

Huddled Group plc

("Huddled", the "Company" or the "Group")

Full Year Results for the Year Ended 31 December 2024

Significant revenue growth and putting the foundations in place for a dynamic e-commerce business

Huddled Group plc (AIM:HUD), the circular economy e-commerce business, is pleased to announce its audited full year results for the year ended 31 December 2024 ("FY2024").

Highlights

- Acquisitions of Nutricircle (formerly Food Circle Supermarket) and Boop Beauty in the year, further underpinning Huddled's credentials as a leading player in the circular-economy sector.
- FY2024 Group revenue increased over 490% to £14.2m (FY2023: £2.4m[1]).
- Q4 FY2024 revenue from the three core businesses of £4.3m, double that of Q1 2024 (£2.1m[2]).
- Discount Dragon revenue up 112.2% to £10.8m (FY2023: £5.1m[3]).
- Nutricircle revenue £1.6m since its acquisition in April 2024 (FY2023: £1.4m[3]).
- Boop Beauty revenue £0.5m following its relaunch in September 2024.

Value and impact highlights

- 4.8m tonnes of food diverted into homes and away from landfill
- Almost 140,000 households saved money
- Worked with our supply chain partners to deliver over 500,000 items to UK food charities

Martin Higginson, Chief Executive Officer of Huddled Group PLC, commented:

"FY2024 was a year of cash investment into our various brands, growing Discount Dragon, acquiring both Nutricircle and Boop Beauty, and putting the foundations in place for a dynamic e-commerce business. Our goal is to be recognised as the UK's most trusted surplus goods e-commerce retail group, helping to reduce unnecessary waste. By redistributing perfectly good products to customers at a fraction of the retail price, we create value for customers, stakeholders, and have a positive impact economically, socially and environmentally.

"The list of big brand partners working with us continues to grow across all three of our brands, all with a common goal of reducing and monetising waste. We have seen revenue and customers grow rapidly in FY2024, a trend that has continued into FY2025 with total Group revenue for March 2025 exceeding £1.7m.

"We know customers like what we do, and we can see there's growing demand from both customers and supply partners. We still have plenty of challenges, but I am pleased to report these are operational and solvable, rather than customer demand led. It's now about evolution and continuous improvement."

Enquiries:
For further information please visit www.huddled.com/investors, or contact:

Huddled Group plc Martin Higginson Dan Wortley Paul Simpson	investors@huddled.com
Zeus (Nominated Adviser and Sole Broker) Nick Cowles, James Hornigold, Alex Campbell-Harris Dominic King	Tel +44 (0) 203 829 5000 (Investment Banking) (Corporate Broking)
Alma Strategic Communications (Financial PR) Rebecca Sanders-Hewett Sam Modlin Louisa El-Ahwal	huddled@almastrategic.com

Chairman's Statement

As Martin will explain in his upcoming review, our team has built three exciting brands-Discount Dragon, Nutricircle, and Boop Beauty-through a combination of acquisition and organic growth.

Both revenue and customer numbers have exceeded expectations, and as we move into FY2025, I see this trend continuing.

We have had some logistics challenges, but this is to be expected against a backdrop of rapid growth.

The businesses are now very much in flow, with FY2025 being a year of transition from heavy cash investment to operational cash generation.

FY2024 was yet another transformational year for the business. Since I joined as Chairman seven years ago there has been remarkable evolution of our organisation. We started on our journey as Immotion, a location-based immersive entertainment business. During the pandemic, we demonstrated our agility by creating Let's Explore as a way of monetising our VR content when the world was locked-down. We then made the bold decision to divest the Immotion business for over 25m, returning the majority of the proceeds to our shareholders. And now, bolstered by our recent acquisitions, we have repositioned the Group to be a leading circular economy e-commerce player.

As we enter this new chapter, I've decided to step down as Chairman at this year's upcoming AGM. It has been a privilege to guide this exceptional team whose ability to identify emerging market opportunities and rapidly scale operations continues to impress me.

Chief Executive's Review

Building a Group focused on surplus stock

FY2024 was a year of putting the foundations in place of a dynamic e-commerce group focused on surplus and remnant stock. By sourcing and redistributing surplus goods we are able to deliver quality products at accessibly low prices, thus benefitting customers and reducing waste in the FMCG supply chain.

Our business buys surplus stock from manufacturers and retailers, whether it be mispackaged, rebranded, out of season, short dated, over supply or package imperfections. Because we stop these goods from going to waste, we are able to buy them very competitively and this allows us to sell them at a fraction of their RRP. This helps social inequalities, allowing everyone to sample big branded goods at prices they can afford. With over 25,000 TrustPilot reviews, and rated 'Excellent' across all three brands, we're confident our offering resonates with consumers.

The acquisition of both Nutricircle in April 2024, and Boop Beauty in July 2024, has further strengthened our position as the leading player in the circular economy space, expanding our offering into both wellness and sports nutrition as well as beauty and cosmetics. Investment in these two brands has helped drive growth in revenue and customer numbers.

During FY2024 our three brands; Discount Dragon, Nutricircle and Boop Beauty worked together to be a force for good. Almost 140,000 households saved money by shopping with us, 5.7m items were saved from being wasted, over 4.8m tonnes of food was diverted into homes and away from landfill, and some 12m tonnes of CO_2 emissions were avoided. We also worked with our supply chain partners to deliver over 500,000 items to UK food charities.

A year of investment into growing revenue

FY2024 was a year of rapid revenue growth, with revenue from our three core businesses exceeding £12.9m in the full year (£14.2m including revenue from Let's Explore). In Q4 2024, our core businesses delivered £4.3m of revenue, more than double that of the £2.1m in the first quarter[4].

Discount Dragon

At Discount Dragon our aim is to make shopping for everyday cupboard essentials easy and affordable. On the website, customers can find some of the nation's favourite brands at incredible prices, often saving over 50% compared to high street prices.

Discount Dragon delivered revenue of £10.8m, up 112.2% compared to FY2023[5]. We delivered just shy of 285,000 orders in the period at an average order value ("AOV") in excess of £37. The business attracted 77.3k new shoppers in the year.

During the year we tested a number of initiatives as we learn more about our customers, and their buying behaviour. During the year we removed the minimum spend threshold allowing customers to order as little or as much as they want. Orders below £30 would attract a small delivery charge with orders over £30 getting free delivery.

Nutricircle

With the acquisition of Nutricircle we were able to tap into the wellness and sports nutrition market, which was an industry where we were aware tonnes of healthy and nutritious snacks, drinks and powders were destined for waste. We're now helping stop this and working with some of the biggest wellness brands in the industry we're able to offer our growing and loyal customers a solution that not only saves them money, but also helps protect the planet.

Since April 2024 when Nutricircle became part of the Huddled family it delivered revenue of £1.6m. We have noticed Nutricircle customers are very loyal and their propensity to return is high, as such we have invested heavily in attracting new customers to this brand. I am pleased to report this initiative has been a great success adding almost 20,000 new customers to its growing band of loyal followers. This investment has really started to pay dividends, with March 2025 reporting the best month ever, with revenue exceeding £0.4m.

Whilst AOV from new customers is typically around 30% lower than that of a returning customer, we can see they come back, thus underpinning our investment thesis. AOV in the period was over £34, which is impacted by the percentage of new customers versus existing. (The percentage of new customers to existing was 41%).

Boop Beauty

Boop Beauty, the latest addition to the Huddled family, has turned excess and mispackaged inventory into an award-winning business.

With a growing community of savvy shoppers, Boop is growing faster than any of us expected. It really is becoming their favourite destination for rescuing beauty products, doing good for the planet and their pockets.

Following the acquisition of Boop Beauty in July 2024 we set about creating a new and improved website, as well as adding to the stock on offer. The revamped website launched in September 2024 and the concept of offering surplus cosmetic products at discount prices has been very well received by customers, the media and manufacturers alike. We were awarded the Marie Claire Sustainability Award in recognition of the work we're doing to reduce waste in the beauty industry.

As with all our brands, we took the time to understand the Boop customer, how they buy and what brands they like. We have tested free delivery thresholds, as well as free gift initiatives. Revenue since the relaunch in September was just shy of £0.5m, with AOV exceeding £37. We can see our investment in this brand is starting to pay dividends with March 2025 revenue exceeding £0.3m.

Let's Explore

Following Wicked Vision going into Administration in late FY2024 and all stock being sold in the final quarter and the cash proceeds now received, we have decided to wind down the Let's Explore business with a view to it being fully discontinued by the end of H1 2025. The decision was driven by a combination of lack of management bandwidth as well as the changing world of tariffs into the USA. We also believe our efforts and focus are better invested in our growing circular economy e-commerce brands.

Current Trading and Outlook

Trading the in the new financial year has started well.

Looking ahead, FY2025 will see us focus time and effort in moving the businesses into operational profitability. We are steadily overcoming our warehouse challenges, which once in flow will allow us to scale the businesses. We have honed the various brand offerings, as well as tailoring our stock buying to our customers' needs. Marketing is now delivering excellent results which, we believe, will allow us to scale the businesses further allowing us to build trust, grow revenue, and deliver value and impact to the bottom line.

Whilst there is still much to do, we are confident we now have the foundations for success in place. The opportunities within the surplus FMCG market, the continued search for value among consumers, and the demand for e-commerce and direct delivery services provide us with a significant opportunity to further drive growth.

Financial review

Income statement

Below is a summary of divisional trading in the year:

	Discount Dragon	Nutricircle	Boop Beauty	Let's Explore	Head Office	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	10,790	1,644	494	1,294	-	14,222
Gross profit/(loss)	(151)	230	(44)	83	-	118
Adjusted EBITDA[6]	(1,537)	(68)	(200)	(143)	(1,134)	(3,082)
Loss before tax	(1,997)	(162)	(203)	(324)	(1,363)	(4,049)

Revenue in the period increased significantly to £14,222,000 (FY2023: £2,423,000), albeit the composition of the group changed substantially across the two periods.

The table below shows the strong quarterly growth of revenue and impact of the acquisitions in the year:

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
	£'000	£'000	£'000	£'000	£'000
Discount Dragon	2,133	2,770	2,820	3,067	**10,790**
Nutricircle	-	349	568	727	**1,644**
Boop Beauty	-	-	30	464	**494**
Core business total	**2,133**	**3,119**	**3,418**	**4,258**	**12,928**
Let's Explore	11	10	151	1,122	**1,294**
Total revenue	**2,144**	**3,129**	**3,569**	**5,380**	**14,222**

Discount Dragon reported revenue of £10,790,000 in the year, up from £1,631,000 in FY2023, albeit it was only included in the prior year figures from its acquisition on 16 October 2023.

Nutricircle and Boop Beauty, our two acquisitions in the period, reported revenue of £1,644,000 and £494,000 respectively - in Boop's case from a standing start following its relaunch in September 2024.

Discount Dragon made a gross loss in the period of £151,000, though this is stated after a £99,000 provision against slow-moving stock due to the purchase of a large range of products in the period which we learned through experience did not resonate with our customer base. Adjusting for this provision, the division made a gross profit in H2 2024. The gross loss is stated after marketing expenses and an allocation of warehouse costs.

Nutricircle delivered a gross profit of £230,000 in the period since its acquisition which is stated after an allocation of warehouse costs and £173,000 of marketing costs.

Boop Beauty made a gross loss of £44,000 in the period since its relaunch, also stated after an allocation of warehouse costs and also incurring £173,000 of marketing costs.

Despite the challenges we faced with the business in the period, Let's Explore generated revenue of £1,294,000 in the year and made a modest gross profit of £83,000, a pleasing result in itself, but more importantly we turned the stock brought forward from FY2023 into cash, all of which has been received post period end.

The Group recorded an adjusted EBITDA loss[7] in the period of £3,082,000 (FY2023: £1,333,000). Discount Dragon's share of the adjusted EBITDA loss was £1,537,000 after adjusted administrative expenses[8] which reflects the division carrying the lion's share of warehousing costs and shared services in the period. Nutricircle and Boop Beauty made adjusted EBITDA losses of £68,000 and £200,000 respectively. Excluding the Let's Explore business but including head office costs, adjusted administrative expenses fell to 17% of revenue in Q4 2024 vs 28% of revenue in Q1 2024, demonstrating the operational gearing at play following the acquisitions and organic growth of the Group.

The Group reported a loss before tax of £4,049,000 for the year (FY2023: £2,287,000). This was stated after £418,000 of amortisation (of which £276,000 related to Discount Dragon and Nutricircle intangible assets recognised on acquisition) and £99,000 of depreciation. An impairment charge of £91,000 was recorded against Let's Explore intangible assets due to the planned closure of this division. One-off costs of £487,000 related mainly to acquisitions, severance costs and aborted projects.

Cash flow

The cash outflows in FY2024 were anticipated as we increased operational expenditure on marketing initiatives and warehouse expansion, built up inventory levels, and provided capital expenditure to support the growth of the business.

Net cash flows in the period are summarised as follows:

FY2024	**£'000**
Operating cash outflow	(3,228)
Investing cash inflow	510
Financing cash inflow	89

Net cash outflow	**(2,629)**

Operating cash flows benefited from a net working capital inflow of £339,000, despite additional investment in inventories.

Investing cash flows included the receipt of £1,047,000 proceeds from the sale of the Immotion business which completed in 2023. Intangible asset additions £244,000 (mainly software development) and property, plant and equipment additions were £196,000 (primarily of works and equipment at the warehouse in Leigh). There was a net cash outflow of £97,000 relating to subsidiaries acquired in the period.

Net financing cash inflows of £89,000 were comprised of £131,000 finance income, offset by loan and lease repayments of £39,000 and finance costs of £3,000.

Balance sheet

Inventories increased to £1,124,000 from £724,000 in the previous period. Let's Explore stock comprised £28,000 and £236,000 of these amounts respectively, therefore the increase in stock holding across our core divisions was £608,000.

Trade and other receivables reduced to £817,000 from £1,819,000 in the prior period. A significant contributor to this reduction was the receipt of the 1,325,000 loan note (inclusive of interest) in February 2024 from the buyer of the Immotion business.

Contract assets of £612,000 (FY2023: £95,000) relate reseller sales made by the Let's Explore business. The provision of £162,000 (FY2023: £53,000) relates to the same.

Trade and other payables increased to £1,956,000 (FY2023: £580,000), a natural increase coinciding with the expansion of the Group.

HUDDLED GROUP PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Year Ended 31 December 2024 £'000	Year Ended 31 December 2023 £'000
Revenue		14,222	2,423
Cost of sales		(14,104)	(2,468)
Gross profit/(loss)		**118**	**(45)**
Administrative expenses		(4,307)	(2,813)
Other operating income		12	244
Loss from operations		**(4,177)**	**(2,614)**
Memorandum:			
Adjusted EBITDA		**(3,082)**	**(1,333)**
Depreciation	8	(99)	(28)
Amortisation	9	(418)	(241)
Impairment	9	(91)	-
Share based payments		-	(337)
One-off costs	5	(487)	(675)
Loss from operations		**(4,177)**	**(2,614)**
Finance costs		(3)	(2)
Finance income		131	337

Loss before taxation from continuing operations	**(4,049)**	**(2,279)**
Taxation	117	(8)
Loss after taxation from continuing operations	**(3,932)**	**(2,287)**
Profit after tax from discontinued operations	-	15,268
Profit/(Loss) after taxation from all operations	**(3,932)**	**12,981**
Attributable to:		
Equity holders of the company	(3,851)	12,981
Non-controlling interests	(81)	-
	(3,932)	**12,981**

	Year Ended 31 December 2024 £'000	**Year Ended 31 December 2023 £'000**
Other comprehensive income/(expense)		
Profit/(loss) after taxation from all operations	(3,932)	12,981
Profit/(loss) on translation of subsidiary	1	(282)
Cumulative translation differences transferred to the income statement on disposal of subsidiaries	-	155
(Loss)/Profit after taxation and attributable to equity holders of the parent and total comprehensive income for the period	**(3,931)**	**12,854**
Attributable to:		
Equity holders of the company	(3,850)	12,981
Non-controlling interests	(81)	-
	(3,931)	**12,981**

		Year ended 31 December 2024 £0.01	**Year ended 31 December 2023 £0.01**
Earnings/(loss) per share			
Continuing operations			
Basic	6	(1.20)	(0.71)
Diluted	6	(1.20)	(0.71)
Discontinued operations			
Basic	6	-	4.75
Diluted	6	-	4.75
Continuing and discontinued operations			
Basic	6	(1.20)	4.04
Diluted	6	(1.20)	4.04

HUDDLED GROUP PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital £'000	Share premium £'000	Foreign exchange reserve £'000	Merger reserve £'000	Capital redemption reserve £'000	Equity reserve £'000
Balance at 1 January 2023	166	20,556	93	-	-	-
Profit after tax	-	-	-	-	-	-
Equity settled share-based payments	-	-	-	-	-	-
Currency translation differences transferred to income statement on disposal of subsidiaries	-	-	155	-	-	-
Currency translation of overseas subsidiary	-	-	(282)	-	-	-
Exercise of share options	19	1,159	-	-	-	-
Acquisition of subsidiaries	52	-	-	2,823	-	417
Reduction in share premium	-	(20,572)	-	-	-	-
Buyback and cancellation of shares	(110)	-	-	-	110	-
Balance at 31 December 2023	**127**	**1,143**	**(34)**	**2,823**	**110**	**417**
Loss after tax	-	-	-	-	-	-
Currency translation of overseas subsidiary	-	-	1	-	-	-
Acquisition of subsidiaries	1	-	-	54	-	54
Acquisition of non-controlling interest	-	-	-	-	-	96
Issued of deferred consideration shares	1	-	-	19	-	(20)
Partial disposal of Let's Explore Limited	-	-	-	-	-	-
Balance at 31 December 2024	**129**	**1,143**	**(33)**	**2,896**	**110**	**547**

HUDDLED GROUP PLC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

ASSETS	**Note**	**31 December 2024 £'000**	**31 December 2023 £'000**
Non-current assets			
Property, plant and equipment	8	351	209
Intangible fixed assets	9	4,132	3,935
Deferred tax asset		6	-
Total non-current assets		**4,489**	**4,144**
Current assets			
Inventories		1,124	724
Trade and other receivables		817	1,819
Contract assets		612	95
Cash and cash equivalents		1,639	4,268
Total current assets		**4,192**	**6,906**
Total assets		**8,681**	**11,050**
LIABILITIES			
Current liabilities			
Trade and other payables		(1,956)	(580)
Contract liabilities		(18)	-
Provisions		(162)	(53)
Lease liabilities		(25)	-

Loans and borrowings		(20)	(10)
Total current liabilities		**(2,181)**	**(643)**
Non-current liabilities			
Loans and borrowings		(18)	(18)
Deferred tax liability		-	(87)
Total non-current liabilities		**(18)**	**(105)**
Total liabilities		**(2,199)**	**(748)**
Net assets		**6,482**	**10,302**
Capital and reserves attributable to owners of the parent			
Share capital	10	129	127
Share premium	11	1,143	1,143
Foreign exchange reserve	11	(33)	(34)
Merger reserve	11	2,896	2,823
Capital redemption reserve	11	110	110
Equity reserve	11	547	417
Non-controlling interest	11	(3)	-
Retained earnings	11	1,693	5,716
Total equity		**6,482**	**10,302**

The financial statements were approved by the Board and authorised for issue on 2 May 2025

Martin Higginson
Chief Executive Officer

Daniel Wortley
Finance Director

HUDDLED GROUP PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Year ended 31 December 2024 £'000	**Year ended 31 December 2023 £'000**
Cash flows from operating activities		
Loss before tax from continuing operations	(4,049)	(2,279)
Profit before tax from discontinued operations	-	15,276
Adjustments for:		
Share based payments	-	337
Depreciation of property plant and equipment	99	201
Loss on disposal of fixed assets	-	3
Amortisation of intangible assets	418	280
Impairment of intangible assets	91	-
Gain on disposal of subsidiary undertakings	-	(15,206)
Costs relating to the disposal of subsidiaries	-	(437)
Finance costs	3	6
Finance income	(131)	(337)
Foreign exchange profit/(loss)	1	(282)
Foreign corporate tax received/(paid)	1	(16)
Cash outflow from operating activities before changes in working capital	**(3,567)**	**(2,454)**
Increase in inventories	(320)	(41)
(Increase)/decrease in trade and other receivables	(654)	195
Increase/(decrease) in trade & other payables	1,313	(901)
Cash used in operations	**(3,228)**	**(3,201)**

Investing activities		
Purchase of intangible assets	(244)	(157)
Purchase of property, plant and equipment	(196)	(278)
Acquisition of subsidiaries	(109)	-
Proceeds from the sale of subsidiary undertakings	1,047	19,818
Cash disposed on disposal of subsidiaries	-	(354)
Cash acquired with subsidiaries	12	45
Net cash from investing activities	**510**	**19,074**
Financing activities		
Finance costs	(3)	(6)
Finance income	131	337
Loan and finance lease repayments	(39)	(763)
Issue of new share capital	-	1,178
Share buybacks	-	(12,680)
Net cash from/(used in) financing activities	**89**	**(11,934)**

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Net (decrease)/increase in cash and cash equivalents	**(2,629)**	**3,939**
Cash and cash equivalents at beginning of the period	4,268	329
Cash and cash equivalents at end of the period	**1,639**	**4,268**

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Reconciliation of net cashflow to movement in net debt		
Net (decrease)/increase in cash and cash equivalents	(2,629)	3,939
Loans and finance leases acquired with subsidiaries	(74)	(695)
Repayment of loans and finance leases	39	763
Loans and finance leases disposed on sale of subsidiaries	-	309
Movement in net funds in the year	**(2,664)**	**4,316**
Net funds/(debt) at beginning of year	4,240	(76)
Net funds at end of year	**1,576**	**4,240**
Breakdown of net funds		
Cash and cash equivalents	1,639	4,268
Loans and finance leases	(63)	(28)
Net funds at end of year	**1,576**	**4,240**

HUDDLED GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 GENERAL INFORMATION

Huddled Group plc is a public limited company incorporated and domiciled in the United Kingdom. The address of the registered office is Cumberland Court, 80 Mount Street, Nottingham, England, NG1 6HH. The Group is listed on AIM.

During the year, the principal activities of the Group were: (i) the sale of primarily surplus stock via the Group's Discount Dragon, Nutricircle and Boop Beauty websites; and (ii) the sale of the Group's Let's Explore and Vodiac consumer products.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates.

2 ACCOUNTING POLICIES

Principal accounting policies

The Company is a public company incorporated and domiciled in the United Kingdom. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the United Kingdom ("adopted IFRSs") and those parts of the Companies Act 2006 which apply to companies preparing their financial statements under IFRSs. The financial statements are presented to the nearest round thousand (£'000) except when otherwise indicated.

Basis of Consolidation

The Group comprises a holding company and a number of subsidiaries all of which have been included in the consolidated financial statements in accordance with the principles of acquisition accounting as laid out by IFRS 3 Business Combinations.

Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. The going concern basis of accounting has therefore been adopted in preparing the financial statements.

In reaching this conclusion, the Directors considered the financial position of the Group, acknowledging the need for the Group to reach operational profitability and become net cash generative. If this takes too long to achieve, there may be a strain on the Group's working capital which may require mitigation strategies such as reducing inventory cover, accessing sources of debt or equity available to the Group and/or allocating resources away from one or more of the Group's divisions in favour of another/others.

The Directors also considered forecasts and projections for 12 months from the date of the approval of the financial statements, taking into account reasonably possible changes in trading performance and capital expenditure requirements as well as considering scenarios where the business is unable to achieve growth from current levels and where the mitigation strategies described above are deployed. None of the scenarios considered indicated there to be a material uncertainty related to the Group's ability to continue as a going concern.

The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

Business combinations and goodwill

Acquisitions of subsidiaries are accounted for using the acquisition method. The assets and liabilities and contingent liabilities of the subsidiaries are measured at their fair value at the date of acquisition. Any excess of acquisition over fair values of the identifiable net assets acquired is recognised as goodwill. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment twice-annually. Any impairment is recognised immediately in profit or loss accounts and is not subsequently reversed. Acquisition related costs are recognised in the income statement as incurred.

Non-controlling interests

Non-controlling interests (NCIs) are accounted for in accordance with IFRS 10 and IFRS 3. NCIs represent equity in subsidiaries not attributable to the parent and are initially measured at the proportionate fair value of identifiable net assets. Subsequent acquisitions of NCIs are accounted for as equity transactions with any gain or loss recognised directly in retained earnings.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Discount Dragon

For sales to consumers via Discount Dragon's website, revenue is recognised on sales in the period in which the corresponding order is placed, at which point products purchased are allocated to that customer. There is typically no more than one week between the point when an order is placed and when the goods are received by the customer and the difference between the two in financial terms is not material. For wholesale sales, revenue is recognised in the period in which delivery to the wholesaler takes place.

Nutricircle

For sales to consumers via Nutricircle's website, revenue is recognised on sales in the period in which the corresponding order is placed, at which point products purchased are allocated to that customer. There is typically no more than one week between the point when an order is placed and when the goods are received by the customer and the difference between the two in financial terms is not material.

Nutricircle's customers are awarded loyalty points when they place orders. An element of revenue from orders placed on Nutricircle's website is allocated to the loyalty points earned based on their perceived value in relation to the selling price of goods purchased. The perceived value of the loyalty points is estimated with reference to the redemption value of the loyalty points and the likelihood of redemption. Revenue allocated to loyalty points is recorded as a contract liability until such time that the loyalty points are redeemed.

Boop Beauty

For sales to consumers via Boop Beauty's website, revenue is recognised on sales in the period in which the corresponding order is placed, at which point products purchased are allocated to that customer. There is typically no more than one week between the point when an order is placed and when the goods are received by the customer and the difference between the two in financial terms is not material.

Let's Explore

For sales to consumers, revenue is recognised on sales of the Let's Explore and Vodiac products in the period in which the corresponding order is placed, at which point products purchased are allocated to that customer. There is typically no more than one week between the point when an order is placed and when the goods are received by the customer and the difference between the two in financial terms is not material. For sales to resellers, revenue is recognised in the period in which delivery to the reseller takes place.

Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and provision for impairment. Depreciation is provided on all property plant and equipment, at rates calculated to write off the cost less estimated residual value, of each asset on a straight-line basis over its expected useful life.

The residual value is the estimated amount that would currently be obtained from disposal of the asset if the asset were already of the age and in the condition expected at the end of its useful economic life.

The method of depreciation for each class of depreciable asset is:

Leasehold property	- Over term of lease on a straight-line basis
Fixtures, fittings and equipment	- 3 years on a straight-line basis
Motor vehicles	- Between 3 and 7 years on a straight-line basis
IFRS 16 right of use assets	- Over term of lease on a straight-line basis

Intangible assets

Intangible assets include goodwill arising on the acquisition of subsidiaries and represents the difference between the fair value of the consideration payable and the fair value of the net assets that have been acquired. The residual element of goodwill is not being amortised but is subject to twice-annual impairment review. The expected useable lives of the classes of intangible assets held by the Group are shown in note 9.

Internally-generated intangible assets

An internally-generated intangible asset arising from the Group's development activities is capitalised and held as an intangible asset in the statement of financial position when the costs relate to a clearly defined project; the costs are separately identifiable; the outcome of such a project has been assessed with reasonable certainty as to its technical feasibility and its ultimate commercial viability; the aggregate of the defined costs plus all future expected costs in bringing the product to market is exceeded by the future expected sales revenue; and adequate resources are expected to exist to enable the project to be completed. Internally generated intangible assets are amortised over their estimated useful lives, being 3 years from completion of development. Other development expenditure is recognised as an expense in the income statement in the period in which it is incurred.

Impairment of assets

Impairment tests on goodwill are undertaken twice-annually. The recoverable value of goodwill is estimated on the basis of value in use, defined as the present value of the cash generating units with which the goodwill is associated. When value in use is less than the book value, an impairment is recorded and is irreversible.

Other non-financial assets are subject to impairment tests whenever circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its estimated recoverable value (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable value of an individual asset, the impairment test is carried out on the asset's cash-generating unit. The carrying value of property, plant and equipment is assessed in order to determine if there is an indication of impairment. Any impairment is charged to the statement of comprehensive income. Impairment charges are included under administrative expenses within the consolidated statement of comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Contract assets

Contract assets are recognised when the Group has satisfied a performance obligation but cannot recognise a receivable.

Contract liabilities

Contract liabilities comprise payments in advance of revenue recognition and revenue deferred due to contract performance obligations not being completed. They are classified as current liabilities if the contract performance obligations are due to be completed within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Contract liabilities are recognised initially at fair value and subsequently at amortised cost.

Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value, and subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are recognised as financial assets. They comprise cash held by the Group and short-term bank deposits with an original maturity date of three months or less.

Trade payables

Trade payables are initially recognised as financial liabilities measured at fair value, and subsequent to initial recognition are measured at amortised cost.

Bank borrowings

Interest bearing bank loans, overdrafts and other loans are recognised as financial liabilities and recorded at fair value, net of direct issue costs. Finance costs are accounted for on an amortised cost basis in the income statement using the effective interest rate.

Provisions

Provisions are recognised where it is probable that an outflow of resources will be required to settle a liability of an uncertain amount or timing but where a reliable estimate can be made of the amount of the liability. Provisions are expensed to the income statement and included within liabilities on the statement of financial position.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deduction of all its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive directors, who are responsible for allocating resources and assessing performance of the operating segments.

A business segment is a group of assets and operations, engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. The executive directors assess the performance of the operating segments based on the measures of revenue, adjusted EBITDA, profit before taxation and profit after taxation. Central overheads are not allocated to business segments.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

When applying the Group's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. The critical accounting judgements also incorporate estimations.

Critical accounting judgements

Identification and valuation of intangible assets arising on acquisition at fair value

Separately identifiable intangible assets arising on acquisition have been recognised at fair value as assessed at the acquisition date. This identification and recognition of these intangibles requires the application of judgement and is subject to significant estimation uncertainty given assumptions made about future performance of these identified assets. Details of the separately identifiable intangible assets recognised on acquisition can be found in note 7.

Revenue recognition

For sales to consumers, revenue is recognised when the order is placed. There is typically no more than one week between customers placing and receiving their order. If revenue relating to undelivered orders is material at the end of an accounting period, an adjustment would be required to defer the revenue into the subsequent accounting period when delivery takes place and judgement is required to establish whether this is the case or not.

The Group recognises a contract liability for loyalty points accrued by its customers based on the expected redemption rate of the loyalty points. Judgement is required to calculate the redemption rate, which is informed by the historical redemption rate observed.

For Let's Explore and Vodiac products sold via resellers, a provision is made for returns/refunds to be made for orders received and paid for, prior to the accounting date. This provision is estimated based on past experience of the level of refund applications received.

Recoverability criteria for capitalisation of development expenditure

The Group recognises costs incurred on development projects as an intangible asset which satisfies the requirements of IAS 38. The calculation of the costs incurred includes the percentage of time spent by certain employees and contractors on development projects. The decision whether to capitalise and how to determine the period of economic benefit of a development project requires an assessment of the commercial viability of the project and the prospect of selling the project to new or existing customers. An assessment is made as to the future economic benefits of the project and whether an impairment is needed.

Impairment of intangible assets

The carrying value of goodwill and other intangible assets relating to the acquisition of subsidiaries are considered twice-annually for indicators of impairment to ensure that the assets are not overstated within the financial statements. The twice-annual impairment assessment in respect of goodwill and other intangible assets requires estimates of the value in use (or fair value less costs to sell) of subsidiaries to which those assets have been allocated. As a result, estimates of future cash flows are required, together with an appropriate discount factor for the purpose of determining the present value of those cash flows. Further details of the considerations made when conducting the impairment review can be found in note 9.

Valuation of inventories

The carrying value of inventories of finished products held by the Group are assessed for impairment at the end of each period. Judgement is required to assess whether the net realisable value (NRV) of inventories held is less than carrying value with reference to the expected price the inventory is likely to achieve if sold. Where items of inventory are identified as having a NRV of less than their carrying value, a provision for impairment is recognised.

Critical accounting estimates

Amortisation of intangible assets

The periods of amortisation adopted to write down capitalised intangible assets and capitalised staff costs requires judgements to be made in respect of estimating the useful lives of the intangible assets to determine an appropriate amortisation rate. Variances between actual and estimated useful economic lives could impact on the operating results both positively and negatively.

Depreciation

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate deprecation, that charge is added retrospectively. Variances between actual and estimated useful economic lives could impact on the operating results both positively and negatively.

4 SEGMENTAL INFORMATION

A segmental analysis of revenue and expenditure for the year ended 31 December 2024 is below.

	DiscountDragon £'000	**Nutricircle £'000**	**Boop Beauty £'000**	**Let's Explore £'000**	**Head Office £'000**	**Total £'000**
Revenue	10,790	1,644	494	1,294	-	14,222
Cost of sales	(10,941)	(1,414)	(538)	(1,211)	-	(14,104)
Gross profit/(loss)	**(151)**	**230**	**(44)**	**83**	**-**	**118**
Adjusted administrative expenses*	(1,386)	(298)	(156)	(226)	(1,146)	(3,212)
Other operating income	-	-	-	-	12	12
Adjusted EBITDA**	**(1,537)**	**(68)**	**(200)**	**(143)**	**(1,134)**	**(3,082)**
Depreciation	(48)	(24)	-	(2)	(25)	(99)
Amortisation	(293)	(27)	(3)	(88)	(7)	(418)
Impairment	-	-	-	(91)	-	(91)
One-off costs (note 5)	(119)	(41)	-	-	(327)	(487)
Finance costs	-	(2)	-	-	(1)	(3)
Finance income	-	-	-	-	131	131
Taxation	104	6	-	7	-	117
Loss for the year	**(1,893)**	**(156)**	**(203)**	**(317)**	**(1,363)**	**(3,932)**

A segmental analysis of revenue and expenditure for the year ended 31 December 2023 is below.

	DiscountDragon £'000	**Let's Explore £'000**	**Head Office £'000**	**Total Continuing Operations £'000**	**Dis-continued Operations £'000**	**Total £'000**
Revenue	1,631	792	-	2,423	1,626	4,049
Cost of sales	(1,541)	(927)	-	(2,468)	(924)	(3,392)
Gross profit/(loss)	**90**	**(135)**	**-**	**(45)**	**702**	**657**
Adjusted Administrative expenses*	(220)	(202)	(1,110)	(1,532)	(390)	(1,922)
Other operating income	-	-	244	244	-	244
Adjusted EBITDA**	**(130)**	**(337)**	**(866)** **(866)**	**(1,333)** ()	**312**	**(1,021)**
Depreciation	(6)	(1)	(21)	(28)	(173)	(201)
Amortisation	(61)	(175)	(5)	(241)	(39)	(280)
Loss on disposal of assets	-	-	-	-	(3)	(3)
Profit on disposal of subsidiaries	-	-	-	-	15,206	15,206
One-off costs (note 5)	(13)	-	(662)	(675)	(23)	(698)
Share based payments	-	-	(337)	(337)	-	(337)
Finance costs	-	-	(2)	(2)	(4)	(6)
Finance income	-	-	337	337	-	337
Taxation	-	(8)	-	(8)	(8)	(16)
(Loss) / profit for the year	**(210)**	**(521)**	**(1,556)**	**(2,287)**	**15,268**	**12,981**

(Loss) / profit for the year	**(210)**	**(521)**	**(1,556)**	**(2,287)**	**15,268**	**12,981**

*Adjusted administrative expenses exclude depreciation, amortisation, impairment and one-off costs.

**Adjusted EBITDA is a non-GAAP metric.

5 ONE-OFF COSTS

	2024 £'000	2023 £'000
One-off costs (non-GAAP measure)*		
Redundancy/severance costs	311	25
Acquisitions and similar transactions	68	244
Aborted projects	80	-
Capital reduction and share buybacks	-	225
Bonuses awarded in relation to the Immotion business sale	-	181
Other	28	-
	487	**675**

*One-off costs are included within administrative expenses but have been added back for the purposes of calculating adjusted EBITDA which is a non-GAAP alternative performance measure.

6 EARNINGS PER SHARE

	2024 £'000	2023 £'000
Profit/(loss) attributable to ordinary equity holders of the parent		
Continuing operations	(3,851)	(2,287)
Discontinued operations	-	15,268
Profit/(loss) after taxation from all operations	**(3,851)**	**12,981**
Basic weighted average number of shares	319,974,896	321,686,426
Diluted weighted average number of shares	346,328,630	355,153,905
Continuing and discontinued operations	**£0.01**	**£0.01**
Basic earnings/(loss) per share	(1.20)	4.04
Diluted earnings/(loss) per share	(1.20)	4.04
Continuing operations	**£0.01**	**£0.01**
Basic loss per share	(1.20)	(0.71)
Diluted loss per share	(1.20)	(0.71)
Discontinued operations	**£0.01**	**£0.01**
Basic earnings per share	-	4.75
Diluted earnings per share	-	4.75

Earnings/(loss) per ordinary share has been calculated using the weighted average number of shares outstanding during the relevant financial periods.

In accordance with IAS 33, diluted EPS must be presented when a company could be required to issue shares that would decrease earnings per share or increase the loss per share. However, IAS 33 stipulates that diluted EPS cannot show an improvement compared to basic EPS. In this case, as the inclusion of potential ordinary shares would result in an improvement, they have been disregarded in the calculation of diluted EPS.

Diluted EPS is calculated based on continuing operations. Although the discontinued operations in the comparative period generated positive earnings per share, the loss per share from continuing operations means that the dilutive effect of the potential ordinary shares is ignored.

7 BUSINESS COMBINATIONS

Nutricircle Limited (formerly Food Circle Supermarket Limited)

On 11 April 2024, the Company acquired 100% of the ordinary shares in Nutricircle Limited (formerly Food Circle Supermarket Limited) for consideration of up to £308,000. This investment is also included in the Parent Company's statement of financial position at the fair value of the consideration at the date of acquisition.

The assets and liabilities of the acquired company were as follows:

	Book Value £'000	Fair Value Adjustment £'000	Fair Value to Group £'000
Property, plant and equipment	45	-	45
Intangible assets: customer database	-	66	66
Cash and cash equivalents	9	-	9
Inventories	65	-	65
Trade and other receivables	7	-	7
Trade and other payables	(170)	-	(170)
Contract liabilities	(16)	-	(16)
Loans	(27)	-	(27)
IFRS 16 lease	(47)	-	(47)
Deferred tax	-	(17)	(17)
Net assets on acquisition	**(134)**	**49**	**(85)**
Goodwill on acquisition			393
Total consideration			**308**
Consideration discharged by:			
Initial cash consideration			100
Shares in the Company issued in the year			54
Shares in the Company yet to be issued			54
Contingent cash consideration			100
			308

On 11 April 2024, the Company paid £100,000 in satisfaction of the initial cash consideration and issued 2,096,436 new ordinary shares at a fair value of 2.6p each in satisfaction of the £54,000 initial equity consideration.

Subject to any adjustments to the purchase price in the event of warranty claims against the vendors, the Company will issue a further 2,096,436 new ordinary shares in satisfaction of the deferred consideration on the first anniversary of the acquisition. The deferred consideration shares have been valued at completion date fair value of 2.6p each.

An additional £100,000 in cash will be payable if Nutricircle meets certain targets during its first 12 months post-acquisition.

A net deferred tax liability of £17,000 has been recognised in relation to fair value adjustments arising on the business combination.

The goodwill on consolidation of £393,000 includes assets acquired which did not meet the criteria for separate recognition such as supplier relationships and employees' 'know-how'.

Costs of £40,000 relating to the acquisition are included within administrative expenses in the period.

The revenue and loss after tax recorded by Nutricircle Limited in the period were £1,644,000 and £156,000 respectively. Had the acquisition of Nutricircle Limited completed on 1 January 2024, the combined revenue and loss before tax for the Group would have been £14,475,000 and £3,999,000 respectively.

Boop Beauty Limited

Acquisition of 75% of Boop Beauty Limited

On 5 July 2024, the Company acquired 75% of the ordinary shares in Boop Beauty Limited for cash consideration of £9,000. The investment is included in the Parent Company's statement of financial position at the fair value of the consideration at the date of acquisition.

The assets and liabilities of the acquired company were as follows:

	Book Value £'000	Fair Value Adjustment £'000	Fair Value to Group £'000
Cash and cash equivalents	3	-	3
Inventories	14	-	14
Trade and other receivables	2	-	2
Trade and other payables	(11)	-	(11)
Net assets on acquisition	**8**	**-**	**8**
Non-controlling interest			(2)
Goodwill on acquisition			3
Total consideration			**9**
Consideration discharged by:			
Initial cash consideration			9

On 5 July 2024, the Company paid £9,000 in satisfaction of the initial cash consideration.

The goodwill on consolidation of £3,000 includes assets acquired which did not meet the criteria for separate recognition such as supplier relationships and employees' 'know-how'.

Acquisition of additional 25% interest in Boop Beauty Limited

On 27 December 2024 the Company acquired the remaining 25% of the ordinary shares in Boop Beauty Limited for equity consideration of £96,000. The investment is included in the Parent Company's statement of financial position at the fair value of the consideration at the date of acquisition.

The Company will issue 3,248,863 new ordinary shares in satisfaction of the deferred consideration no later than 27 May 2025. The deferred consideration shares have been valued at completion date fair value of 2.95p each.

On 27 December 2024, the carrying value of the net deficit of Boop Beauty Limited, adjusting for the goodwill on the initial 75% acquisition, was £192,000. The additional interest acquired has been recognised as follows:

	£'000
Consideration paid to non-controlling shareholder	96
Carrying value of non-controlling interest (25% of £192,000 net deficit)	48
Difference recognised in retained earnings	**144**

Costs of £8,000 relating to the acquisition are included within administrative expenses in the period.

The revenue and loss after tax recorded by Boop Beauty Limited in the period were £494,000 and £203,000 respectively. Had the acquisition of Boop Beauty Limited completed on 1 January 2024, the combined revenue and loss before tax for the Group would have been £14,252,000 and £3,928,000 respectively.

Let's Explore Limited

On 10 May 2024, the Company completed a transaction diluting its ownership in Let's Explore Limited from 100% to 75% via the issue of new ordinary shares in Let's Explore Limited to an external investor, Wicked Vision Limited for nominal value. No consideration was received by the Company.

As at 10 May 2024, the net assets of the Let's Explore sub-group (comprising Let's Explore Limited and Let's Explore, Inc.), net of a £401,000 loan payable to the Company, was £112,000. The transaction therefore created a non-controlling interest of £28,000, with the opposite entry being recognised directly in equity (retained earnings).

8 PROPERTY, PLANT AND EQUIPMENT

Cost	Fixtures, Fittings & Equipment £'000	Motor Vehicles £'000	Right-of-Use Asset £'000	Total £'000
At 1 January 2023	3	-	-	3
Acquired with subsidiary	74	6	-	80
Additions	17	156	-	173
At 31 December 2023	**94**	**162**	**-**	**256**
At 1 January 2024	94	162	-	256
Acquired with subsidiary	10	-	132	142
Additions	196	-	-	196
At 31 December 2024	**300**	**162**	**132**	**594**
Accumulated depreciation				
At 1 January 2023	-	-	-	-
Acquired with subsidiary	18	1	-	19
Depreciation of owned assets	7	21	-	28
At 31 December 2023	**25**	**22**	**-**	**47**
At 1 January 2024	25	22	-	47
Acquired with subsidiary	8	-	89	97
Depreciation of owned assets	53	24	-	77
Depreciation of leased assets	-	-	22	22
At 31 December 2024	**86**	**46**	**111**	**243**
Net Book Value				
At 31 December 2024	214	116	21	351
At 31 December 2023	69	140	-	209
At 31 December 2022	3	-	-	3

The net book value of assets held under finance leases or hire purchase contracts, included above, is £21,000 (2023: £Nil).

9 INTANGIBLE ASSETS

Development	Goodwill on	Other Intangible	

	Costs £'000	Consolidation £'000	Assets £'000	Total £'000
Cost				
At 1 January 2023	454	-	29	483
Acquired with subsidiary	30	1,635	2,226	3,891
Additions	86	-	9	95
Transfers	-	-	7	7
Disposals	-	-	(20)	(20)
At 31 December 2023	**570**	**1,635**	**2,251**	**4,456**
At 1 January 2024	570	1,635	2,251	4,456
Acquired with subsidiary	-	396	66	462
Additions	215	-	29	244
Disposals	-	-	(9)	(9)
At 31 December 2024	**785**	**2,031**	**2,337**	**5,153**
Accumulated amortisation				
At 1 January 2023	255	-	14	269
Acquired with subsidiary	5	-	13	18
Amortisation	166	-	75	241
Transfers	-	-	5	5
Disposals	-	-	(12)	(12)
At 31 December 2023	**426**	**-**	**95**	**521**
At 1 January 2024	426	-	95	521
Amortisation	110	-	308	418
Impairment	91	-	-	91
Disposals	-	-	(9)	(9)
At 31 December 2024	**627**	**-**	**394**	**1,021**
Net Book Value				
At 31 December 2024	158	2,031	1,943	4,132
At 31 December 2023	144	1,635	2,156	3,935
At 31 December 2022	199	-	15	214

Other intangible assets comprise the Discount Dragon brand, Discount Dragon and Nutricircle customer databases, trademarks and other intellectual property.

As at 31 December 2024, the Discount Dragon brand had a carrying value of £1,844,000. Amortisation is charged on the Discount Dragon brand at 10% on a straight-line basis and it has an estimated remaining useful life of between eight and nine years.

Amortisation is charged on all other intangible assets over periods ranging between two and three years on a straight-line basis and they have between one and three years' remaining average useful lives.

Impairment reviews

Goodwill

The Group tests goodwill twice-annually for impairment, or more frequently if there are indications of impairment. In order to perform this test, management is required to compare the carrying value of the relevant cash generating unit ("CGU") with its recoverable amount. The recoverable amount of the CGU is determined from a value in use calculation. It is considered that any reasonably possible changes in the key assumptions would not result in an impairment of the present carrying value of the goodwill. Goodwill on consolidation is split between CGUs as follows:

	2024 £'000	2023 £'000
Discount Dragon	1,635	1,635
Nutricircle	393	-
Boop Beauty	3	-
	2,031	**1,635**

The recoverable amount of the three CGUs have been assessed in isolation based on a review of current and anticipated performance. In preparing these projections, a discount rate of 19.71% has been applied to forecast earnings for 2025 and 2026 followed by a terminal value calculation based on 5% annual growth and subjected to sensitivity analysis. Reducing forecasted revenue by 10.2% throughout the forecast period would result in a material impairment to the carrying value of the CGU's intangible assets, all other things being equal. The discount rate is based on the Company's estimated weighted average cost of capital plus 3%.

Other intangible assets

The Group tests other intangible assets twice-annually for impairment, or more frequently if there are indications of impairment. In order to perform this test, management is required to compare the carrying value of the relevant intangible asset with its recoverable amount. The recoverable amount of the intangible is determined from a value in use calculation.

In the year ended 31 December 2024, the group impaired development costs of £91,000 relating to the Let's Explore business due to uncertainty around their recoverability.

10 SHARE CAPITAL

Called up share capital **Allotted, called up and fully paid**	**2024** **Shares of 0.040108663 pence each**	**2024** **£'000**	**2023** **Shares of 0.040108663 pence each**	**2023** **£'000**
At beginning of period	318,305,143	127	415,538,083	166
Share options exercised	-	-	47,125,978	19
Share buybacks and cancellations	-	-	(275,040,736)	(110)
Acquisition of subsidiaries	3,011,840	2	130,681,818	52
At end of period	**321,316,983**	**129**	**318,305,143**	**127**

11 RESERVES

Full details of movements in reserves are set out in the consolidated statement of changes in equity. The following describes the nature and purpose of each reserve within owners' equity:

Share premium: Amount subscribed for share capital in excess of nominal value.

Foreign exchange reserve: Reserve arising on translation of the Group's overseas subsidiaries.

Merger reserve: Premium above the nominal value of shares issued for equity consideration.

Capital redemption reserve: Nominal value of the Company's own shares purchased and cancelled.

Equity reserve: Deferred equity consideration in relation to the Huddled Holdings Limited (formerly Huddled Group Limited), Nutricircle Limited (formerly Food Circle Supermarket Limited) and Boop Beauty Limited acquisitions.

Non-controlling interest: the value of subsidiaries' equity not owned by the parent company.

Retained earnings: Cumulative net gains and losses recognised in the consolidated statement of comprehensive income.

12 POST BALANCE SHEET EVENTS

On 22 April 2025, the Company issued 2,096,436 new ordinary shares at a price of 2.385 pence, set at the time of the acquisition on 11 April 2024, in satisfaction of the £50,000 deferred share consideration for Nutricircle Limited (formerly Food Circle Supermarket Limited).

The Directors have decided to wind down the Let's Explore division with the intent of ceasing operations completely in 2025. The results of the Let's Explore division are included with continuing operations in 2024 as the division did not meet the criteria to be classified as an asset held for sale as at 31 December 2024 in accordance with IFRS 5.

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[1] FY2023 included Discount Dragon from 17 October 2023 and Let's Explore for the full year

[2] Q1 2024 included Discount Dragon and Let's Explore

[3] Including pre-acquisition trading

[4] Q1 2024 included Discount Dragon and Let's Explore

[5] Includes pre-acquisition trading

[6] Adjusted EBITDA is a non-GAAP metric and is stated before depreciation, amortisation, impairment and one-off costs.

[7] Adjusted EBITDA is a non-GAAP metric and is stated before depreciation, amortisation, impairment and one-off costs.

[8] Adjusted administrative expenses exclude depreciation, amortisation, impairment and one-off costs.

END

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