

24 March 2026

STAFFLINE GROUP PLC
("Staffline", the "Company" or the "Group")

AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

- Exceptional performance with FY 2025 results significantly ahead of market expectations¹
 - Gross profit and operating profit increased 10.6% and 31.3%, respectively
- Ongoing balance sheet strength and market share growth supports share buyback programme

Staffline, the recruitment group, announces its audited results for the year ended 31 December 2025 ('FY 2025' or the 'Period').

Financial Highlights²

	FY 2025	FY 2024	Change
Revenue	£1,106.7m	£992.9m	+11.5%
Gross profit	£78.3m	£70.8m	+10.6%
Gross profit margin %	7.1%	7.1%	0.0%pts
Operating profit³	£13.0m	£9.9m	+31.3%
Gross profit to operating profit conversion %	16.6%	14.0%	+2.6%pts
Profit before taxation	£7.4m	£5.0m	+48.0%
Profit after tax (total activities)	£4.8m	£(8.3)m	+157.8%
EBITDA	£16.5m	£12.4m	+33.1%
Net cash (pre-IFRS 16)⁴	£1.5m	£9.6m	-£8.1m
Net (debt)/cash (post-IFRS 16)	£(2.5)m	£4.9m	-£7.4m

¹Company-compiled consensus for FY 2025 operating profit, profit before tax and net cash (pre-IFRS 16), based on the mean average of two analyst estimates, stands at £12.7m, £7.1m and £1.5m, respectively.

²Except where otherwise stated, all results disclosed relate to continuing activities, and comparatives have been restated where necessary. This excludes PeoplePlus, which was divested in February 2025.

³FY 2024 operating profit is stated after charging £0.2m of non-underlying expenses.

Alternative performance measures

⁴Presented on a pre-IFRS16 basis which excludes lease liabilities and also excludes refinancing costs.

- 11.5% increase in revenue as a result of continued organic market share growth in existing customers, including a significant new strategic partnership with a leading logistics provider
- 10.6% increase in gross profit generated by the organic growth in GB temporary recruitment revenues, alongside growth in permanent recruitment fees in Ireland
- Operating profit significantly ahead of market expectations, up 31.3% to £13.0m (2024: £9.9m)
- Conversion ratio of gross profit to operating profit improved to 16.6% (2024: 14.0%), demonstrating both the improving quality and efficiency of the business

Operational Highlights

- Staffline delivered an exceptional financial and operational performance during FY 2025, outperforming the wider recruitment market and highlighting the successful strategy of excellence in delivery and growing organically
- The disposal of PeoplePlus in February 2025 has created a pure-play recruitment platform, focused on leveraging Staffline's strong market-leading position across all its key markets
- Recruitment GB division delivered revenue growth of 13.6%, with gross profit increasing 12.9% to £64.0m and operating profit up 30.0% to £14.3m
- Recruitment Ireland achieved 10.3% growth in permanent white-collar recruitment fees, an impressive result in the context of weak macro-economic fundamentals and cautious hiring strategies

- Group-wide strategy remains focused on growing market share organically in the UK and Ireland blue- and white-collar recruitment sectors

Current Trading and Outlook

- Healthy new business pipeline underpinned by organic growth and market share gains
- Ongoing tight control of costs to further increase the gross profit to operating profit conversion ratio
- Management remains cautiously optimistic for FY 2026 based on the defensive nature of its key GB markets of food and logistics in the supermarket segment and in the Irish public sector, despite the recent increased macroeconomic risks
- As a result, the Board expects trading to continue in line with its expectations for the year ending 31 December 2026

Albert Ellis, Chief Executive Officer of Staffline, commented:

“Staffline delivered an exceptional performance during 2025, achieving double-digit revenue, gross profit and operating profit growth by focusing on its strategy to grow market share organically, and outperform a challenging recruitment sector.

Both Recruitment GB and Recruitment Ireland performed strongly in defensive markets, while the disposal of PeoplePlus in early 2025 has transformed the Group into a focused, pure-play recruitment specialist.

Despite ongoing sector and geopolitical headwinds, we remain cautiously optimistic about FY 2026. Our healthy pipeline, strong balance sheet, ongoing focus on cost control, and an expected easing of the labour supply means we are well-placed to continue growing market share across the UK and Ireland.

I would like to thank all our people for their continued commitment to Staffline. Without their outstanding efforts, these results would not be possible.”

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About Staffline – Recruitment

Staffline is one of the UK's market leading Recruitment groups. It has two divisions:

Recruitment GB

The Recruitment GB business is a leading provider of flexible blue-collar workers, supplying up to c.38,000 staff per day from around 550 sites, across a wide range of industries including supermarkets, drinks, driving, food processing, logistics and manufacturing.

Recruitment Ireland

The Recruitment Ireland business is a leading end to end solutions provider operating across multiple industries, ten branch locations and ten onsite customer locations, supplying up to c.4,700 staff per day, and offering RPO, MSP, temporary and permanent recruitment solutions across public and private sectors throughout the island of Ireland.

Chairman's Statement

Introduction

I would like to thank our temporary workforce, staff and management for their exceptional work during 2025. It has been a demanding year, but the significant progress we have made reflects their effort and commitment.

We made strong financial progress during the year, increasing profit before taxation by 48%, rising to £7.4m from £5.0m. At the same time, we continued to reduce the number of shares in issue, buying back stock and lowering the share count from 142 million to 123 million—a 13% reduction during the year. We believe these purchases have been made at a significant discount to their intrinsic value. Since we began the buyback programme in 2023, the total number of shares outstanding has fallen by 27%, from 166 million to 121 million today.

Each share owned today represents a larger ownership stake in a more profitable business than it did before. That combination is powerful, and it sits at the heart of how we think about creating long-term shareholder value. Growing the profits of the business while reducing the number of shares outstanding at a discount to their worth is a twin engine of value creation over time.

A Strategic Focus on Value Creation

In my previous statement, I said that our most important goal was to improve profit after tax and that remains the case. Everything we are doing is aimed at building a more profitable, cash-generative and resilient business over time. The important point is that we did not need to make acquisitions to achieve this. Organic growth remained strong during the year. Our scale, market reach and reputation mean we are well placed in a market where many customers are reducing the number of suppliers they work with. This continues to create opportunities to win new business and strengthen existing relationships.

However, growth on its own is not the goal. We are focused on turning that growth into profit. As the business scales, we are beginning to see the benefits come through, with additional revenue and gross profit contributing more meaningfully to operating profit than in the past. This has strengthened our gross profit to operating profit conversion, bringing it closer to the levels achieved by the best-in-class operators in our sector during more favourable market conditions. This is an important shift and gives us confidence that we are moving in the right direction.

We are also keeping a close focus on how the business is run day to day. That means controlling costs, generating cash, and being disciplined about where we invest. We will continue to invest where we see good opportunities, but we will remain disciplined. If the returns are not there, we will not deploy capital for the sake of it. We are encouraging an ownership mindset across the Group, where decisions are made with long-term value in mind. We are aligning management incentives with this approach.

Looking Ahead

There will always be challenges in the wider economy, but the fundamentals of the business are solid and improving. We have a stronger platform, clearer strategic priorities and better financial discipline. If we continue to execute in this way – growing profits while reducing the share count at attractive prices – we believe we can continue to increase earnings per share and deliver meaningful long-term value for our shareholders.

As we look to the future, there remains a clear role for a business like Staffline. Our passion for helping our customers achieve their objectives through first-class recruitment is reflected in the long-standing relationships we have built, as well as our continued success in securing new contract wins. We look forward to building on this momentum in the year ahead.

Tom Spain

Chairman

23 March 2026

Chief Executive Officer's Review

Introduction

Staffline delivered an exceptional financial and operational performance during FY 2025, outperforming the wider recruitment market and highlighting our position as a trusted provider of recruitment services. In 2021, we implemented the current strategy: focusing on profitable market share growth, ensuring high levels of corporate governance and creating a strong fiscal base from which to invest in organic growth and our share buyback programmes.

This important shift in the Company's strategic approach has underpinned our recent market share gains and financial progress, enabling Staffline to continue to grow its share in all the recruitment market segments within which it is represented across the UK and Ireland.

Notably, this includes a significant strategic partnership with a leading logistics provider secured in the period, alongside other new account wins. Successful market share gains have also been secured by developing strong relationships with our existing customer base and consolidating our reputation for service excellence and high governance standards. This has yielded faster growth in market share with existing customers, alongside a healthy conversion rate of our new business pipeline.

The disposal of PeoplePlus in February 2025 enabled us to focus on what we do best: recruitment and managing the outsourcing of our customers' high-volume temporary workforce. The consideration was £12.0m, including £2.0m of deferred consideration, contingent on the achievement of various performance metrics.

Proceeds from the disposal strengthened our balance sheet and facilitated our ongoing share buyback programme, supporting the Board's capital allocation policy and accelerating shareholder returns.

Having now transformed into a pure-play recruitment platform, revenue across our two divisions increased 11.5% to £1,106.7m (2024: £992.9m), reflecting the strength of the focus on recruitment. Additionally, operating profit grew 31.3% to £13.0m (2024: £9.9m), exceeding market expectations and underpinned by ongoing tight cost control. Net cash on a pre-IFRS 16 basis was better than expected at £1.5m despite ongoing working capital investment in the business and our share buyback programme. The Company reported a 10.6% uplift in gross profit, driven by an increase in temporary hours worked in Recruitment GB and permanent white-collar recruitment fees in Ireland. This performance highlights the strength of our cash-generative model that has proved so resilient in the challenging recruitment sector.

We have maintained our disciplined approach to managing operating costs, implementing a restructuring programme in H1 2025 that has created a leaner organisation, delivered meaningful cost savings and reduced overheads across the business of c.£3.0m. More generally, tighter control of our cost base has improved operational efficiency, ensuring the Group remains lean during ongoing macroeconomic headwinds. This disciplined approach resulted in a further improvement of our gross profit to operating profit conversion, increasing from 14.0% to 16.6%.

Staffline's FY 2025 results clearly demonstrate the scale of our transformation since setting new operational targets at the end of 2020 and recapitalising during H1 2021. We have transformed the business through the divestment of non-core operations, prudent management of our cost base, and a sharp focus on growing our customer base organically, resulting in the delivery of another exceptional set of results.

Strategy

We remain focused on our established 'Going for Growth' strategic priorities which remain broadly unchanged.

Our overarching key objective is to grow our market share organically in the UK and Ireland recruitment sectors notwithstanding macroeconomic weakness and unexpected turbulence in the jobs market. Our strategy is not to wait for an economic upturn but to create value through seizing opportunities in defensive food manufacturers and supermarkets, as well as market-leading logistics outsourcers, essential public services and volume RPO solutions.

Staffline continues to reinforce its reputation as a trusted recruitment specialist, leveraging our scale and reach, balance sheet strength, portfolio of services, and reputation for strong governance to achieve market share gains and expand our existing customer base.

Our strategic priorities therefore remain unchanged:

- **Enhance the Group's market-leading position** by further leveraging Staffline's scale, reach and excellence in delivery to grow market share in blue-collar temporary recruitment, organically.
- **Broaden our portfolio** by growing, where appropriate, white-collar and adjacent permanent recruitment activity, including RPO and managed services.
- Continue to **expand in the Republic of Ireland** by securing new contracts and investing in the Group's footprint and headcount.
- **Increase shareholder returns** whilst maintaining a healthy balance sheet and returning excess cash to shareholders in the form of share buybacks directly from annual trading cash flows.

We believe the simplification of our business model to pure-play recruitment following the disposal of PeoplePlus has enabled us to better navigate market headwinds, delivering another excellent financial and operational performance in FY 2025 whilst simultaneously delivering shareholder returns through our share buyback programme.

Operational review

Recruitment GB

Our Recruitment GB division delivered a revenue uplift of 13.6%, with gross profit increasing 12.9% to £64.0m and operating profit up 30.0% to £14.3m. This excellent financial performance reflects sustained demand for Staffline's temporary and outsourced recruitment services alongside the impact of our cost savings programme. Operating profit conversion from gross profit now stands at a sector beating 22.3% (2024: 19.4%).

We remain focused on organic growth, with our Recruitment GB division winning new business and expanding existing customer mandates. Despite underlying like-for-like demand remaining broadly flat on 2024, temporary hours worked, were up 6.8% year-on-year, reflecting the benefit of our additional market share gains. FY 2025 also benefited from a record Q4 festive peak, with temporary worker hours up 11.1% on FY 2024 and representing a five-year high.

Additionally, the Company secured a significant new strategic partnership with a leading UK logistics provider in May 2025 to outsource 100% of its agency labour services to Staffline. This partnership has significantly increased Staffline's operational footprint and further validates our competitive advantage over industry peers. At 31 December 2025, c.2,000 temporary staff had been onboarded under the partnership, and we continue to collaborate with the internal leadership team to deepen our strategic integration and support their requirements across their multiple divisions.

An excellent operational performance has been supported by our cost reduction programme, which has reduced business costs by c.£2.4m per annum. This enables us to effectively mitigate the impact of higher labour costs and ongoing inflationary pressures whilst still providing world-class recruitment services.

The division's results were underpinned by the performance of our managed services provider, Datum RPO, which had another successful year with increased demand for its specialist support in audit services and supply chain consolidation as customers prioritised governance and operational efficiencies.

Recruitment Ireland

Recruitment Ireland achieved 10.3% growth in permanent white-collar recruitment fees, an impressive result in the context of weaker business confidence and cautious hiring strategies, particularly in Northern Ireland in the first half of 2025. This was driven by successfully generating placements in the health and social care and public services sectors. Gross profit and operating profit increased by 1.4% and 7.1% respectively, with the turnaround from H1 2025 largely attributable to the 2.4% year-on-year growth in temporary hours worked in Q4 2025 following a normalisation in the mix of services, which had seen a swing towards permanent recruitment solutions in the first half of the year.

Trading conditions were more favorable in the Republic of Ireland in H2 2025, where there are less fiscal constraints on the government as a result of the budget surplus. New customer wins and market share gains delivered higher volumes in the Republic of Ireland, particularly in temporary hours. In addition, the division secured strategic wins in the public sector with the Health and Social Care Northern Ireland and Agri-Food and Biosciences Institute contracts.

More broadly, new office openings led to a recovery in branch-led high street recruitment and broadened Staffline's regional footprint. Strict cost management across the division further underpinned performance, ensuring that financial results exceeded original management expectations and positioning the business strongly for continued growth.

Current trading and outlook

Staffline delivered excellent results in FY 2025 in a tough trading environment, exceeding market profit expectations. This was achieved through a culmination of organic growth, driven by market share gains and new business wins, tight cost control, and driving efficiencies across the Group.

Looking ahead, we remain committed to our 'Going for Growth' strategy and cautiously optimistic about FY 2026 performance in the context of ongoing market headwinds impacting the recruitment sector.

The Group remains well-placed to deliver ongoing growth by continuing to offer its customers excellent quality of service combined with scale and reach.

As a result, the Board expects trading to continue in line with its expectations for the year ending 31 December 2026.

Albert Ellis

Chief Executive Officer

23 March 2026

Financial Review

Introduction

The Group delivered a strong trading performance in FY 2025, particularly in Recruitment GB, against a challenging macroeconomic and market sector backdrop in the UK. Operating profit on continuing activities, which increased by 31.3% to £13.0m (2024: £9.9m), is ahead of market expectations.

The successful financial performance was primarily driven by a 6.8% year-on-year increase in temporary hours worked in Recruitment GB, which arose from both existing and new customers in the third-party logistics sector.

Continuing activities

Gross sales increased by 15.9% to £1,301.1m (2024: £1,122.3m) reflecting significant further new business growth in the Recruitment GB division. Reported revenue of £1,106.7m (2024: £992.9m) was higher than the previous year by 11.5%.

Gross profit across increased by 10.6% to £78.3m (2024: £70.8m), with gross profit margin remaining at 7.1%.

Overhead costs were tightly controlled, despite considerable inflationary pressures. This contributed towards operating profit increasing by 31.3% to £13.0m (2024: £9.9m).

Net finance charges were £5.6m (2024: £4.9m), reflecting the ongoing high interest rate environment during the year. Additionally, the variance to last year is mainly due to the fact that during 2024 the 1.0% interest rate cap, purchased by the Group in October 2021, came to an end in October 2024. This generated £1.3m of income in 2024. Therefore, on a like-for-like basis the gross interest charge would have been £6.2m in 2024, versus the £5.6m during 2025.

The Group ended the year with pre-IFRS 16 net cash of £1.5m (2024: £9.6m). The Group's significant success in delivering organic growth was enabled by its strong balance sheet position and significant financing headroom. The proceeds from the disposal of PeoplePlus of £6.2m were deployed in a new share buyback programme.

The Group's balance sheet remains a strong platform to capitalise on market share growth opportunities.

Discontinued operation

On 24 February 2025, the Group disposed of its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the whole of the PeoplePlus division. The consideration for the disposal was £12.0m, including £2.0m of deferred consideration. The consideration was on a cash free, debt free basis, subject to a deduction of £5.1m of advanced payments received for future revenue. The net proceeds of the disposal (including the deferred consideration) were expected to be £6.9m. Of the £2.0m deferred consideration, which was contingent on the commencement of potential new contracts, £1.3m has been received in the year. A provision of £0.7m has been raised against the recoverability of the remainder of the deferred consideration.

Divisional performance – continuing activities

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Group costs 2025 £m	Continuing activities 2025 £m	Discontinued operations 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Group costs 2024 £m	Continuing activities 2024 £m	Discontinued operations 2024 £m
Revenue	1,004.6	102.1	—	1,106.7	10.2	884.4	108.5	—	992.9	65.6
Year-on-year revenue increase/ (decline)	13.6%	(5.9)%	—	11.5%	n/a	15.9%	0.1%	—	14.0%	(1.9)%
Gross sales value ¹	1,199.0	102.1	—	1,301.1	10.2	1,013.8	108.5	—	1,122.3	65.6
Year-on-year gross sales value increase	18.3%	(5.9)%	—	15.9%	n/a	15.1%	0.1%	—	13.5%	(1.9)%
Gross profit	64.0	14.3	—	78.3	2.6	56.7	14.1	—	70.8	17.3
Year-on-year gross profit increase	12.9%	1.4%	—	10.6%	n/a	9.2%	14.6%	—	10.3%	4.2%
Gross profit as a % of revenue	6.4%	14.0%	—	7.1%	25.5%	6.4%	13.0%	—	7.1%	26.4%
Operating profit ²	14.3	3.0	(4.3)	13.0	—	11.0	2.8	(3.9)	9.9	1.3
Operating profit as a % of revenue	1.4%	2.9%	—	1.2%	—	1.2%	2.6%	—	1.0%	2.0%
Operating profit as a % of gross profit	22.3%	21.0%	—	16.6%	—	19.4%	19.9%	—	14.0%	7.5%
Pre-IFRS 16 ³ net cash excluding unamortised refinancing costs	—	—	—	1.5	—	—	—	—	9.6	—
Post-IFRS 16 net (debt)/ cash excluding unamortised refinancing costs	—	—	—	(2.5)	—	—	—	—	4.9	—

Key performance indicators – continuing activities

	Recruitment GB 2025	Recruitment Ireland 2025	Total Group 2025	Recruitment GB 2024	Recruitment Ireland 2024	Total Group 2024
Hours worked by temporary workers ⁴	48.7m	4.9m	53.6m	45.6m	5.6m	51.2m
Gross profit per fee earner ⁵	£94.8k	£109.0k	£97.1k	£86.6k	£107.2k	£90.0k

Alternative performance measures

- Gross sales value represents the value of consideration received or receivable for the supply of services, including agency sales, (excluding fees) net of VAT.
- FY 2024 operating profit is stated after charging £0.2m of non-underlying expenses.
- Presented on a pre-IFRS 16 basis, which excludes lease liabilities, and also excludes refinancing costs.
- Hours worked by temporary workers is the number of hours worked by temporary workers and charged to customers in the year.
- Gross profit per fee earner is the gross profit for the year divided by the average number of operational staff responsible for revenue generation.

For management reporting purposes Recruitment GB presents its 'gross sales', which includes sales under agency arrangements. The reporting of gross sales gives an indication of the full level of activity undertaken by the division. This value is adjusted for reporting revenue in accordance with IFRS 15. The adjustment relative to reported revenue for the Group is as follows:

	2025 £m	2024 £m
Gross sales value	1,301.1	1,122.3
Agency sales excluding fees	(194.4)	(129.4)
Revenue as reported	1,106.7	992.9

Recruitment GB

Revenues in Recruitment GB increased by £120.2m to £1,004.6m. The division benefited from its strategy of driving organic growth, by the expansion of key strategic partnerships, renewed contracts with key customers and the acquisition of substantial new contract wins in the year.

Gross profit increased by 12.9% to £64.0m (2024: £56.7m), whilst maintaining gross profit margin at 6.4%. Increases in general pay rates combined with the increase in the National Minimum Wage in April 2025, from £11.44 to £12.21 per hour for over 21s (previously over 23s), do not impact absolute gross profit, as they are passed through to customers, but do negatively impact gross margin percentage achieved.

Temporary recruitment gross profit increased slightly as a proportion of the total to 94.7% (2024: 93.6%), with the remaining 5.3% (2024: 6.4%) of gross profit generated from permanent recruitment. Permanent recruitment fees

decreased by 8.1% to £3.4m (2024: £3.7m). Hours worked increased by 6.8% to 48.7m (2024: 45.6m), reflecting new business in the third-party logistics sector and increased year-over-year supermarket and online retail volumes.

The division's revenues are traditionally weighted toward the second half of the year due to increased "peak" workload during the run up to Christmas. Revenues in H2 2025 were 15.3% higher than H2 2024 at £566.7m (2024: £491.4m). This was driven by organic growth from contracts implemented in H2 2025, which led to an 11.1% year-on-year increase, and five-year high, in the traditional Q4 peak temporary worker hours.

The combined effect of growth and inflationary pressures that led to an increase in overheads, was partially offset by a cost reduction programme of c.£2.4m per annum. This supported the gross profit to underlying operating profit conversion ratio increasing from 19.4% to 22.3%, delivering a 30.0% increase in operating profit to £14.3m (2024: £11.0m).

Recruitment Ireland

Revenues in the Recruitment Ireland division decreased to £102.1m (2024: £108.5m), reflecting a change of mix between temporary and permanent recruitment as well as a challenging H1 2025 due to Storm Eowyn. Temporary worker hours reduced to 4.9m (2024: 5.6m), although these did show signs of run rate recovery in H2 2025 with Q4 seeing temporary hours growing 2.4% year-on-year, driven by the strategic wins in the public sector with the Health and Social Care Northern Ireland and Agri-Food and Biosciences Institute contracts.

Gross profit increased to £14.3m (2024: £14.1m) and gross profit margin increased to 14.0% (2024: 13.0%). This came as a result of continued strong performance in permanent recruitment fees with a 10.3% year-on-year increase to £3.2m (2024: £2.9m). This was primarily driven by a strong performance in the Republic of Ireland, with both the Irish police, through the An Garda contract, as well as the newly won Electricity Supply Board contract.

Gross profit generated from temporary recruitment accounted for 77.8% (2024: 79.5%) of the total, with the remaining 22.2% (2024: 20.5%) of gross profit generated from permanent recruitment.

In April 2025, Recruitment Ireland reduced its cost base to reflect market conditions and, with continued strict cost control, was able to reduce direct overheads by £0.6m during FY 2025. As a result of these actions, operating profit for the year was ahead of prior year at £3.0m (2024: £2.8m).

Group costs

Group costs, which include Directors' remuneration costs, have increased to £4.3m (2024: £3.8m) reflecting an increased non-cash provision for share based payments across the wider Group.

Group result

Group operating profit, which was ahead of market expectations, was £13.0m (2024: £9.9m), an increase of 31.3%.

The profit before taxation on continuing activities for the year was up 48.0% at £7.4m (2024: £5.0m) and the profit after tax on continuing activities for the year was £5.5m (2024: £4.1m).

Net finance charges

Net finance charges were £5.6m (2024: £4.9m), reflecting the ongoing high interest rate environment during the year. Additionally, the variance to last year is mainly due to the fact that during 2024 the 1.0% interest rate cap, purchased by the Group in October 2021 in order to partially limit its exposure to higher interest rates, concluded in October 2024. This generated £1.3m of income in 2024. Therefore, on a like-for-like basis the gross interest charge would have been £6.2m in 2024, versus the £5.6m during 2025.

On 20 September 2024, the Group entered into an amortising interest rate collar agreement, comprising a cap element to reduce exposure to a SONIA interest rate above 4.75% and a floor element to pay a fixed rate of 2.51%. The instrument has a term of five years effective from 14 October 2024, based on quarterly nominal amounts varying between £39.5m and £62.5m based on forecast borrowings over the term. The instrument was acquired for no upfront

premium.

Taxation

The total tax charge for the year was £1.9m (2024: £0.9m), which includes a corporation tax charge of £0.5m (2024: £0.2m), with the remainder relating to the movement of deferred tax balances. Remaining tax losses of £3.4m (2024: £12.1m) carried forward have been recognised as a deferred tax asset.

Alternative Performance Measures

In the reporting of its financial performance, the Group uses a limited number of alternative performance measures that are not defined under IFRS, the Generally Accepted Accounting Principles (“GAAP”) under which the Group reports. The Directors believe that these non-GAAP measures assist with the understanding of the performance of the business and are not given undue prominence in these financial statements. These non-GAAP measures are not a substitute for, or superior to, any IFRS measures of performance, but they have been included as an additional means of comparing performance year on year. The alternative performance measures used are described in Note 3.

Non-underlying items

Non-underlying items of income or expenditure are items that are either non-recurring or of a particular size or nature such that they require separate identification. Non-underlying items are included in total reported results but are excluded from underlying results. Certain items can vary significantly from year to year and therefore create volatility in reported earnings. It should be noted that whilst the amortisation of intangible assets arising on business combinations has been added back, the revenue from those acquisitions has not been eliminated.

Non-underlying charges on continuing activities before tax amounted to £nil in the year (2024: £0.2m), which is analysed below.

Non-underlying expenses – continuing activities	2025	2024
	£m	£m
Strategic consultancy	–	0.2

During 2024 the Group incurred costs for strategic consultancy.

Share buyback programme

Further to the announcement of the disposal of PeoplePlus Group Limited on 24 February 2025, the Group announced the commencement of a share buyback programme to purchase ordinary shares of 10 pence each in the Company for up to a maximum aggregate consideration of £7.5m from the day of the announcement. The buyback was to be carried out in two tranches. The first tranche for up to 15,517,851 Ordinary Shares, being the unutilised proportion of the general authority to repurchase Ordinary Shares granted by shareholders at its annual general meeting held on 22 May 2024 (“Tranche 1”). The second tranche (“Tranche 2”) for up to 12,440,000 Ordinary Shares, was conditional on the Company’s shareholders approving the relevant resolution at the Company’s Annual General Meeting, on 21 May 2025, which was approved.

Tranche 1 of the programme was completed on 11 April 2025, with 15,517,851 Ordinary Shares purchased for a total consideration of £4,843,086 at an average share price of 31.2p. Tranche 2 commenced on 1 August 2025, and, in the period to 31 December 2025, 3,800,592 Ordinary Shares were acquired for a total consideration of £1,670,192 at an average share price of 43.9p.

From 1 January 2026, the Company acquired a further 2,040,406 Ordinary Shares, which completed Tranche 2 of the buyback programme on 5 March 2026, for a total consideration of £986,714, at an average of 48.4p per share.

The Ordinary Shares purchased pursuant to the buyback programme have been cancelled.

The share buybacks were operated in accordance with the terms of the Company’s general authority to repurchase Ordinary Shares granted by shareholders at its Annual General Meetings, held on 22 May 2024 and 21 May 2025.

Earnings per share

Statutory basic earnings per share on continuing activities in 2025 was 4.5p (2024: 3.0p) and diluted earnings per share was 4.4p (2024: 2.9p).

Following the share buyback programme, under which the shares purchased were cancelled, the weighted average number of shares (basic) is 121,960,649 (2024: 138,868,494).

Earnings before interest, taxation, depreciation and amortisation, "EBITDA"

The table below reconciles underlying EBITDA on continuing activities to operating profit.

Reconciliation of operating profit to EBITDA	2025	2024
	£m	£m
Operating profit	13.0	9.9
Non-underlying costs	–	0.2
Underlying operating profit	13.0	10.1
Depreciation and loss on disposals	3.3	3.1
Underlying EBITDA	16.3	13.2
Share-based payments	1.1	0.7
Lease rental payments	(0.9)	(1.3)
Underlying EBITDA (pre-IFRS 16)	16.5	12.6

Note: Underlying operating profit is before reorganisation costs and other non-underlying expenses. EBITDA represents earnings before interest, taxation, depreciation and amortisation.

Statement of financial position, cash generation and financing

The Group has continued to deliver strong trading cash flows with net cash (pre-IFRS 16) at the end of the year significantly ahead of market expectations, maintaining ongoing balance sheet strength.

The movement in net debt is shown in the table below. Strong trading cash flows were offset by the outflows from the short-term working capital demands of new business, increased finance charges, the share buyback programme and capital expenditure investment.

Movement in net debt	2025	2024
	£m	£m
Opening net cash (pre-IFRS 16)	9.6	3.8
Cash generated before change in working capital and share options	15.6	16.9
Principal repayment of lease liabilities	(0.7)	(2.0)
Change in trade and other receivables	(46.0)	(20.0)
Change in trade, other payables and provisions	34.9	23.9
Taxation and interest paid	(5.5)	(4.9)
Capital investment (net of disposals)	(5.0)	(4.4)
Proceeds from disposal of PeoplePlus	6.2	–
Own shares purchased	(6.5)	(4.4)
Other	(1.1)	0.7
Closing net cash (pre-IFRS 16)	1.5	9.6
IFRS 16 lease liabilities	(4.0)	(4.7)
Closing net cash/(debt) (post-IFRS 16)	(2.5)	4.9

Note: Underlying operating profit is before reorganisation costs and other non-underlying expenses. EBITDA represents earnings before interest, taxation, depreciation and amortisation.

The Group's headroom relative to available committed banking facilities as at 31 December 2025 was £61.6m (2024: £75.9m) as set out below:

	2025	2024
	£m	£m
Cash at bank	8.4	14.6
Undrawn receivables finance agreement	53.2	61.3
Banking facility headroom	61.6	75.9

Working capital financing

The Group manages its working capital requirements using a Receivables Finance Agreement ("RFA") and a number of separate, non-recourse, customer financing arrangements whereby specific customers' invoices are settled in advance of their normal settlement date via a funding intermediary.

The RFA leverages the Group's trade receivables with sufficient headroom and flexibility to manage the variability and size of weekly cash outflows. The key terms of the facility are set out below:

- i) maximum receivables financing facility of £60.0m over a four-year term, with a one-year extension option;
- ii) an Accordion option of up to an additional £20.0m subject to lender approval;
- iii) security on all of the assets and undertakings of the Company and certain subsidiary undertakings;
- iv) interest accruing at a maximum of 2.25% over SONIA, with a margin ratchet downward to 1.5% dependent upon the Group's leverage reducing to less than 1.00x;
- v) a non-utilisation fee of 0.35%;
- vi) maximum net debt (averaged over a rolling three months) to EBITDA leverage covenant of 4.0x; and
- vii) minimum interest cover covenant of 2.25x the last 12 months EBITDA to finance charges.

The balance outstanding on the RFA at 31 December 2025 was £6.9m (2024: £5.0m).

The balance funded under the customer financing arrangements at 31 December 2025 was £66.6m (2024: £74.1m).

Dividends

The Board is not proposing a final dividend payment for 2025 (2024: £nil).

Going concern

For the period to 31 December 2027, the Group's cash flow forecasts indicate ongoing headroom in the RFA and also full compliance with the financial covenants contained therein. The Group has sufficient day-to-day liquidity to ensure that short-term liabilities can be satisfied as and when they fall due.

The financial statements have been prepared on a going concern basis. The Directors have reviewed this basis and have made full disclosure in Note 3, concluding that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

Daniel Quint
Chief Financial Officer
23 March 2026

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 £m	2024 Restated* £m
Continuing activities			
Revenue	4	1,106.7	992.9
Cost of sales	5	(1,028.4)	(922.1)
Gross profit		78.3	70.8
Administrative expenses	5	(65.3)	(60.9)
Operating profit		13.0	9.9
Underlying operating profit before non-underlying administrative expenses		13.0	10.1
Administrative expenses - non-underlying	5	–	(0.2)
Operating profit		13.0	9.9
Finance income	6	0.1	1.5
Finance charges	6	(5.7)	(6.4)
Net finance charges		(5.6)	(4.9)
Profit for the year before taxation		7.4	5.0
Tax expense	7	(1.9)	(0.9)
Profit from continuing activities		5.5	4.1
Loss from discontinued operations		(0.7)	(14.9)
Profit/(loss) for the year		4.8	(10.8)
Items that will not be reclassified to profit and loss – actuarial loss net of deferred tax		–	(0.3)
Items that will be reclassified to profit and loss:			
– effective portion of loss on hedging instrument measured at fair value net of deferred tax		(0.4)	(0.7)
– foreign exchange translation gain/(loss)		0.2	(0.2)
Other comprehensive income for the year net of deferred tax		(0.2)	(1.2)
Total comprehensive income		4.6	(12.0)
Earnings per ordinary share			
	8		
Continuing activities: Basic		4.5p	3.0p
Continuing activities: Diluted		4.4p	2.9p
Discontinued activities: Basic		(0.6)p	(10.7)p
Discontinued activities: Diluted		(0.6)p	(10.6)p
Total earnings/(loss) per share: Basic		3.9p	(7.7)p
Total earnings/(loss) per share: Diluted		3.8p	(7.7)p

* For details of the restatement, refer to note 9.

All profits and losses are attributable to the owners of the Company.

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Share capital £m	Own shares £m	Capital redemption reserve £m	Share-based payment reserve £m	Cost of hedging reserve £m	Foreign exchange translation reserve £m	Profit and loss account Restated* £m	Total Equity Restated* £m
At 1 January 2024	14.9	(4.7)	1.7	1.2	0.9	(0.6)	41.5	54.9
Share-based payments – equity-settled	–	–	–	0.7	–	–	–	0.7
Issue of shares to management	–	0.2	–	(0.4)	–	–	(0.1)	(0.3)
Shares purchased and cancelled	(0.7)	–	0.7	–	–	–	(2.5)	(2.5)
Own shares purchased	–	(1.9)	–	–	–	–	–	(1.9)
Transactions with owners	(0.7)	(1.7)	0.7	0.3	–	–	(2.6)	(4.0)
Loss for the year	–	–	–	–	–	–	(8.3)	(8.3)
Other comprehensive income	–	–	–	–	(0.7)	(0.2)	(0.3)	(1.2)
Total comprehensive income for the year, net of tax	–	–	–	–	(0.7)	(0.2)	(8.6)	(9.5)
At 31 December 2024	14.2	(6.4)	2.4	1.5	0.2	(0.8)	30.3	41.4
Prior year adjustment	–	–	–	–	–	–	(2.5)	(2.5)
At 1 January 2025 restated	14.2	(6.4)	2.4	1.5	0.2	(0.8)	27.8	38.9
Share-based payments – equity-settled	–	–	–	1.6	–	–	–	1.6
Issue of shares to management	–	1.0	–	(1.0)	–	–	–	–
Shares purchased and cancelled	(1.9)	–	1.9	–	–	–	(6.5)	(6.5)
Transactions with owners	(1.9)	(1.0)	1.9	0.6	–	–	(6.5)	(4.9)
Profit for the year	–	–	–	–	–	–	4.8	4.8
Other comprehensive income	–	–	–	–	(0.4)	0.2	–	(0.2)
Total comprehensive income for the year, net of tax	–	–	–	–	(0.4)	0.2	4.8	4.6
At 31 December 2025	12.3	(5.4)	4.3	2.1	(0.2)	(0.6)	26.1	38.6

* For details of the restatement, refer to note 9.

The accompanying notes form an integral part of these financial statements.

Consolidated statement of financial position

As at 31 December 2025

	Note	2025 £m	2024 Restated* £m
Assets			
Non-current			
Goodwill	10	27.1	27.1
Other intangible assets		11.9	10.0
Property, plant and equipment	11	3.0	3.2
Deferred tax asset		0.9	2.5
Derivative financial instruments	13	0.2	1.0
		43.1	43.8
Current			
Trade and other receivables		185.7	141.5
Cash and cash equivalents	14	8.4	14.6
Assets included in disposal group classified as held for sale	9	–	17.2
		194.1	173.3
Total assets		237.2	217.1
Liabilities			
Current			
Trade and other payables		186.5	153.2
Borrowings	15	6.9	5.0
Current tax liability		0.3	0.2
Provisions		0.4	0.2
Lease liabilities	12	1.0	1.0
Liabilities included in disposal group classified as held for sale	9	–	13.9
		195.1	173.5
Non-current			
Provisions		0.3	0.3
Lease liabilities	12	3.0	3.7
Derivative financial instruments	13	0.2	0.6
Deferred tax liabilities		–	0.1
		3.5	4.7
Total liabilities		198.6	178.2
Equity			
Share capital	16	12.3	14.2
Own shares		(5.4)	(6.4)
Capital redemption reserve		4.3	2.4
Share-based payment reserve		2.1	1.5
Cost of hedging reserve		(0.2)	0.2
Foreign exchange translation reserve		(0.6)	(0.8)
Profit and loss account		26.1	27.8
Total equity		38.6	38.9
Total equity and liabilities		237.2	217.1

* For details of the restatement, refer to note 9.

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
Cash flows from operating activities	17	5.9	21.5
Taxation paid		–	(0.2)
Net cash inflow from operating activities		5.9	21.3
Cash flows from investing activities			
Purchases of property, plant and equipment	11	(1.2)	(0.7)
Purchase of intangible assets – software		(3.8)	(3.7)
Net proceeds from disposal of PeoplePlus		6.2	–
Cash adjustment on disposal of PeoplePlus*		(2.5)	–
Total cash flows arising from investing activities		(1.3)	(4.4)
Total cash flows arising from operating and investing activities		4.6	16.9
Cash flows from financing activities			
Net movements on Receivables Finance Agreement	15	1.9	(4.5)
Principal repayment of lease liabilities	12	(0.7)	(2.0)
Net interest paid		(5.5)	(4.7)
Own shares purchased		(6.5)	(4.4)
Net cash flows from financing activities		(10.8)	(15.6)
Net change in cash and cash equivalents		(6.2)	1.3
Cash and cash equivalents at beginning of year		14.6	13.3
Cash and cash equivalents at end of year	14	8.4	14.6

* This represents cash collected from trade receivables and remitted for payables, paid on disposal of PeoplePlus.

The accompanying notes form an integral part of these financial statements.

Notes to the financial information

For the year ended 31 December 2025

1 Nature of operations

The principal activities of Staffline Group plc and its subsidiaries ("the Group") include the provision of recruitment and outsourced human resource services to industry.

2 General information and statement of compliance

Staffline Group plc, a Public Limited Company limited by shares listed on AIM ("the Company"), is incorporated and domiciled in England, United Kingdom. The Company acts as the holding company of the Group. The Company's registration number is 05268636.

The financial information set out in this document does not constitute the Group's statutory accounts for the years ended 31 December 2025 or 2024 but is derived from those accounts. Statutory accounts for 2024 have been delivered to the registrar of companies. The auditors have reported on those accounts; their reports were (a) unqualified, and (ii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. Statutory accounts for 2025 will be delivered to the registrar of companies in due course. The auditors have reported on those accounts; their reports were (i) unqualified, and (ii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial statements for the year ended 31 December 2025 (including the comparatives for the year ended 31 December 2024) were approved and authorised for issue by the Board of Directors on 23 March 2026. This results announcement for the year ended 31 December 2025 was also approved by the Board on 23 March 2026.

3 Accounting policies

Basis of preparation

The Consolidated financial statements are prepared for the year ended 31 December 2025. The Consolidated financial statements of the Group have been prepared on a going concern basis using the significant accounting policies and measurement bases summarised below, and in accordance UK adopted International Accounting Standards. The financial statements are prepared under the historical cost convention except for equity-settled share options, derivative financial instruments and the retirement benefit net asset, which are measured at fair value.

There are no new accounting pronouncements which have become effective in the year.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chief Executive Officer's Review. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review.

As described in the Chief Executive Officer's Review, despite the challenging trading conditions experienced across both divisions in the Group during the year, the Group reported an operating profit of £13.0m for the year, which exceeded market expectations. Recruitment GB won a substantial new logistics contract in 2025 and is targeting further growth in market share in 2026.

The Directors maintained tight cost control throughout the year, but inflationary pressures and the acquisition of new staff associated with new business acquired have resulted in an overall increase in overheads compared to the previous year.

The Directors have prepared updated forecasts and cash flow projections to 31 December 2027, which is considered to be a reasonable period over which a reasonable view can be formed. These forecasts have been used to assess going concern and have been stress-tested by applying basic sensitivity analysis, involving a reduction to revenues and an increase in interest rates over the forecast period.

In forming their opinion, the Directors have performed a robust assessment of the principal risks and uncertainties facing the Group. Consequently, the Directors believe that the Group is well placed to manage its business risks successfully.

At 31 December 2025, the Group had net cash of £1.5m (2024: net cash of £9.6m), on a pre-IFRS 16 basis, and has committed debt facilities until 14 December 2027. For the period to 31 December 2027, the Group's cash flow forecasts indicate ongoing headroom in the Receivables Finance Agreement and also full compliance with the financial covenants contained therein on the assumption that the Accordion option (see Note 15) is exercised, which is subject to lender approval. The Group has sufficient day to day liquidity to ensure that short-term liabilities can be satisfied as and when they fall due. Further details of the financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review.

As a result, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due over the assessment period. The Directors have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

Consolidation of subsidiaries

The Group financial statements consolidate those of the parent Company and all of its subsidiaries as at 31 December 2025 in accordance with IFRS 10. Subsidiaries are all entities to which the Group is exposed to or has rights to variable returns and the ability to affect those returns through control over the subsidiary. The results of subsidiaries whose accounts are prepared in a currency other than sterling; are translated at the average rates of exchange during the period and their year-end balances at the year-end rate of exchange. Translation adjustments are taken to profit and loss reserves.

Material intra-group balances and transactions, and any unrealised gains or losses arising from intra-group transactions, are eliminated in preparing these financial statements.

Non-GAAP measures of performance

In the reporting of its financial performance, the Group uses certain measures that are not defined under IFRS, the Generally Accepted Accounting Principles (“GAAP”) under which the Group reports. The Directors believe that these non-GAAP measures assist with the understanding of the performance of the business. These non-GAAP measures are not a substitute, or superior to, any IFRS measures of performance but they have been included as the Directors consider them to be an important means of comparing performance year-on-year and they include key measures used within the business for assessing performance.

Gross sales value

Gross sales value represents the value of the consideration received or receivable for the supply of services, including agency sales, (excluding fees), which are subject to an IFRS 15 agency adjustment, net of value added tax, rebates and discounts and after eliminating sales within the Group.

Non-underlying items of income and expenditure

These non-underlying charges are regarded as recurring or non-recurring items of income or expenditure of a particular size and/or nature relating to the operations of the business that in the Directors’ opinion require separate identification. These items are included in “total” reported results but are excluded from “underlying” results. These items can vary significantly from year to year and therefore create volatility in reported earnings which does not reflect the Group’s underlying performance.

Underlying EBITDA

Underlying operating profit before the deduction of underlying depreciation and amortisation charges. This is considered a useful measure because it approximates the underlying cash flow by eliminating depreciation and amortisation charges.

Net debt

Net debt is the amount of bank debt less available cash balances. This is a key measure as it is one on which the terms of the banking facilities are based and shows the level of external debt utilised by the Group to fund operations. Net debt is also presented on a pre-IFRS 16 basis which excludes lease liabilities.

The Directors acknowledge that the adjustments made to arrive at underlying profit may not be comparable to those made by other companies and it should be noted that whilst the amortisation of acquisition-related intangible assets has been added back, the revenue from those acquisitions has not been eliminated.

These alternative performance measures are utilised by the Board to monitor performance and financial position. They show a comparable level of performance excluding one-off items, with which underlying performance and ability to service debt can be judged.

Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred, liabilities incurred and the equity interests of the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in the statement of comprehensive income immediately.

Segment reporting

During the year, the Group had two material operating segments: the provision of recruitment and outsourced human resource services to industry, in Great Britain (Recruitment GB) and also in the island of Ireland (Recruitment Ireland). These operating segments are managed separately as each requires different technologies, marketing approaches and other resources. For management purposes, the Group uses the same measurement policies as those used in its financial statements.

On 24 February 2025, the Group sold its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the PeoplePlus division. Negotiations for the sale commenced before 31 December 2024 and accordingly the division was reported as held for sale and as a discontinued operation in the statement of comprehensive income for that year.

4 Segment reporting

During the year, management identified two continuing operating segments: Recruitment GB and Recruitment Ireland. On 24 February 2025, the Group sold its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the PeoplePlus division. Negotiations for the sale had commenced before 31 December 2024 and, accordingly, the division was reported as held for sale and as a discontinued operation in the statement of comprehensive income at 31 December 2024.

The Group's operating segments are determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Chief Executive Officer, with support from the Board. Whilst there are individual legal entities within the operating segments, they are operated and reviewed as single units by the Board of Directors. Each legal entity within an operating segment has the same management team, head office and similar economic characteristics. Historically and going forward, management will integrate new acquisitions into the main trading entities within each operating segment.

Segment information for the reporting year is as follows:

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Group costs 2025 £m	Continuing activities 2025 £m	Discontinued operations 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Group costs 2024 £m	Continuing activities 2024 £m	Discontinued operations 2024 Restated £m
Sales revenue from external customers	1,004.6	102.1	—	1,106.7	10.2	884.4	108.5	—	992.9	65.6
Cost of sales	(940.6)	(87.8)	—	(1,028.4)	(7.6)	(827.7)	(94.4)	—	(922.1)	(48.3)
Segment gross profit	64.0	14.3	—	78.3	2.6	56.7	14.1	—	70.8	17.3
Administrative expenses	(47.5)	(10.5)	(4.3)	(62.3)	(2.5)	(43.2)	(10.6)	(3.8)	(57.6)	(14.4)
Depreciation, software & lease amortisation	(2.2)	(0.8)	—	(3.0)	(0.1)	(2.4)	(0.7)	—	(3.1)	(1.6)
Segment underlying operating profit*	14.3	3.0	(4.3)	13.0	—	11.1	2.8	(3.8)	10.1	1.3
Strategic consultancy costs	—	—	—	—	—	(0.1)	—	(0.1)	(0.2)	—
Release of prior year provision	—	—	—	—	—	—	—	—	—	1.0
Goodwill impairment	—	—	—	—	—	—	—	—	—	(14.5)
Segment profit/(loss) from operations	14.3	3.0	(4.3)	13.0	—	11.0	2.8	(3.9)	9.9	(12.2)
Finance income	0.1	—	—	0.1	—	—	—	1.5	1.5	—
Finance costs	(5.6)	(0.1)	—	(5.7)	—	(6.0)	(0.1)	(0.3)	(6.4)	—
Total finance charges	(5.5)	(0.1)	—	(5.6)	—	(6.0)	(0.1)	1.2	(4.9)	—
Segment profit/(loss) before taxation	8.8	2.9	(4.3)	7.4	—	5.0	2.7	(2.7)	5.0	(12.2)
Tax (expense)/credit	(3.1)	0.1	1.1	(1.9)	—	(1.4)	(0.1)	0.6	(0.9)	(0.2)
Segment profit/(loss)	5.7	3.0	(3.2)	5.5	—	3.6	2.6	(2.1)	4.1	(12.4)

* Segment underlying operating profit before reorganisation costs and other non-underlying costs.

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Staffline Group 2025 £m	Continuing activities 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Staffline Group 2024 £m	Continuing activities 2024 £m
Total non-current assets	28.2	13.8	0.2	42.2	26.0	14.3	1.0	41.3
Total current assets	176.0	17.9	0.2	194.1	133.7	17.4	5.0	156.1
Total assets (consolidated)	204.2	31.7	0.4	236.3	159.7	31.7	6.0	197.4
Total liabilities (consolidated)	186.3	11.7	0.6	198.6	154.1	9.6	0.6	164.3
Cash capital expenditure inc. software	4.9	0.1	—	5.0	3.2	0.8	—	4.0

The analysis above excludes deferred tax assets and liabilities as required by IFRS 8, Operating segments.

Revenues for continuing activities can be analysed by country as follows (98.0% of revenues arising within the UK in 2025, 97.0% in 2024):

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Total Group 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Total Group 2024 £m
UK	1,004.6	79.1	1,083.7	884.4	82.7	967.1
Republic of Ireland	—	23.0	23.0	—	25.8	25.8
	1,004.6	102.1	1,106.7	884.4	108.5	992.9

No customer contributed more than 10% of the Group's revenue during either 2025 or 2024.

5 Expenses by nature

Expenses by nature are as follows:

Underlying expenses

	2025 £m	2024 £m
Employee benefits expenses – cost of sales	1,019.0	911.6
Other cost of sales	9.4	10.5
Employee benefits expenses – administrative expenses	52.4	46.7
Depreciation and software amortisation	2.9	3.1
Operating lease expenses	0.1	0.3
Other administrative expenses	9.9	10.6
	1,093.7	982.8
Disclosed as:		
Cost of sales	1,028.4	922.1
Administrative expenses – excluding non-underlying expenses	65.3	60.7
	1,093.7	982.8

Auditors' remuneration

	2025 £'000	2024 £'000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	16	17
Fees payable to the Company's auditor and its associates for other services:		
– Audit of the accounts of subsidiaries	420	732
– Audit of the pension scheme	–	18
– Audit-related assurance services	18	20
– Audit fee expenses	10	13
Total	464	800

Non-underlying expenses – continuing activities

	2025 £m	2024 £m
Strategic consultancy costs	–	0.2
Post taxation effect on above non-underlying expenses	–	0.2

During the year ended 31 December 2024, the Group incurred costs relating to strategic consultancy.

6 Finance income and charges

Finance income

	2025 £m	2024 £m
Interest on bank deposits	0.1	–
Receipts from derivative	–	1.3
Derivative ineffectiveness	–	0.2
Total	0.1	1.5

Finance charges

	2025 £m	2024 £m
Interest payable on bank and other funding	5.5	5.9
Interest on lease liabilities	0.1	0.1
Derivative ineffectiveness	–	0.2
Amortisation of refinancing costs	0.1	0.1
Amortisation of derivative cost	–	0.1
Total	5.7	6.4

Net finance charges	5.6	4.9
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7 Tax expense

The tax expense on the profit for the year consists of:

	2025 £m	2024 £m
Continuing activities		
Corporation tax		
UK corporation tax at 25.0% (2024: 23.5%)	0.5	0.2
Adjustments in respect of prior years	(0.4)	(0.1)
UK current tax expense	0.1	0.1
Deferred tax		
Timing differences arising in the year	1.5	1.0
Adjustments in respect of prior years	0.3	(0.2)
UK deferred tax expense	1.8	0.8
Total UK tax expense for the year	1.9	0.9

The tax expense for the year, as recognised in the statement of comprehensive income, is equal to the standard rate of corporation tax in the UK of 25.0% (2024: lower than the 25.0% standard rate). Any differences are explained below:

	2025 £m Total	2024 £m Total
Profit/(loss) for the year before taxation	7.4	5.0
Tax rate	25.0%	23.5%
Tax on profit/(loss) for the year at the standard rate	1.9	1.2
Effect of:		
Expenses not allowable	0.1	–
Income not taxable	–	(0.4)
Adjustments in respect of prior years	(0.1)	(0.3)
Tax losses available	–	0.4
Deferred tax not recognised	–	–
Actual tax expense	1.9	0.9
On underlying profit	1.9	0.9
On non-underlying loss	–	–
Actual tax expense	1.9	0.9

The total tax expense for the year of £1.9m (2024: expense £0.9m) arises principally from the movement of deferred tax balances. The Group has an estimated current corporation tax liability for the current year of £0.5m (2024: £0.2m). Corporation tax losses of £3.4m (2024: £12.1m) carried forward have been recognised as a deferred tax asset. The deferred tax assets and liabilities at 31 December 2025 and at 31 December 2024 have been calculated based on 25% for UK losses and at 12% for Republic of Ireland losses, reflecting the expected timing of reversal of the related timing differences.

No material tax charges arise on overseas profits or losses and accordingly no disclosures relating to overseas tax are included within the financial statements.

8 Earnings per share and dividends

Earnings per share

The calculation of basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year, after deducting the "own shares" held in the Group's Employee Benefit Trust of 6,585,854 shares (2024: 8,535,706 shares).

The calculation of the diluted earnings per share is based on the basic earnings per share as adjusted to further take into account the potential issue of Ordinary Shares resulting from share options granted to certain Directors and senior staff under long-term incentive schemes and share options granted to employees under the SAYE scheme.

Details of the earnings and weighted average number of shares used in the calculations are set out below:

	Basic 2025	Basic 2024	Diluted 2025	Diluted 2024
Profit from continuing activities (£m)	5.5	4.1	5.5	4.1
Weighted average number of shares	121,960,649	138,868,494	124,145,891	140,160,630
Earnings per share from continuing activities (p)	4.5p	3.0p	4.4p	2.9p
Underlying earnings (post tax) from continuing activities (£m)	5.5	4.3	5.5	4.3
Underlying earnings per share (p)*	4.5p	3.1p	4.4p	3.1p
Loss from discontinued operations (£m)**	(0.7)	(14.9)	(0.7)	(14.9)
Weighted average number of shares	121,960,649	138,868,494	124,145,891	140,160,630
Loss per share from discontinued operations (p)**	(0.6)p	(10.7)p	(0.6)p	(10.6)p
Profit for the year (£m)**	4.8	(10.8)	4.8	(10.8)
Weighted average number of shares	121,960,649	138,868,494	124,145,891	140,160,630
Total profit/(loss) per share (p)**	3.9p	(7.7)p	3.8p	(7.7)p

* Underlying earnings before reorganisation costs and other non-underlying costs.

** 2024 loss from discontinued operations restated, see Note 9.

During the year the Company purchased and immediately cancelled 19,318,443 Ordinary Shares (2024: 6,860,792 shares) under its share buyback programme.

The total number of dilutive share options held in LTIP and SAYE schemes is 2,185,242 (2024: 1,292,136).

After the year-end, and up to the date of this announcement, the Company purchased and immediately cancelled 2,040,406 Ordinary Shares of 10p each.

Dividends

The Board is not proposing a final dividend payment for 2025 (2024: £nil).

9 Disposal group classified as held for sale and discontinued operations

PeoplePlus Group Ltd

On 24 February 2025, the Group sold its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the PeoplePlus division, for cash consideration of £12.0m, which includes £2.0m of deferred consideration. The consideration was on a cash free, debt free basis and subject to a deduction of £5.1m of advanced payments received in respect of future revenue. The net proceeds of the disposal (including the deferred consideration received) were £6.2m.

Under the terms of the sale agreement, the deferred consideration is payable once PeoplePlus commences trading activity under certain contracts that had been tendered prior to the sale of the business. To date the Group has received £1.3m of the deferred consideration based on a percentage of the contract lots that have commenced trading. The award of the remaining lot has been delayed and to date there has been no indication that it will be awarded in the near future. The Group has taken the view that recoverability of the deferred consideration is uncertain and, accordingly, has made full provision against its recoverability.

Negotiations for the sale had commenced before 31 December 2024 and accordingly the division was reported as held for sale and as a discontinued operation in the statement of comprehensive income for that year, in accordance with IFRS 5. The results of the division were as follows:

	2025 £m	2024 £m Restated
Revenue	10.2	65.6
Cost of sales	(7.6)	(48.3)
Gross profit	2.6	17.3
Administrative expenses	(2.6)	(16.0)
Underlying operating profit	–	1.3
Non-underlying credit – provision reversal	–	1.0
Non-underlying costs – goodwill impairment	–	(17.0)
Operating loss	–	(14.7)
Tax expense	–	(0.2)
Loss for the period	–	(14.9)

The cash flows of the business were as follows:

	2025 £m	2024 £m
Net cash inflow from operating activities	–	2.3
Net cash flows from financing activities	–	–
Purchases of intangible assets – software	–	(0.2)
Purchases of property, plant and equipment	–	(0.2)
Principal repayment of lease liabilities	–	(0.8)
	–	1.1

At the date of disposal, the carrying amounts of assets and liabilities of PeoplePlus were as follows:

	2025 £m
Non-current assets	
Goodwill	6.6
Intangible assets	0.6
Property, plant and equipment	1.3
Deferred tax asset	0.9
Current assets	
Trade and other receivables	6.6
Cash and cash equivalents	1.6
Liabilities	
Trade, other payables and provisions	(14.0)
Total net assets	3.6
Total consideration received in cash	6.2
Working capital adjustment (see note)	(2.5)
Disposal costs	(0.8)
Net cash receivable	2.9
Loss on disposal	(0.7)

Prior year adjustment

At 31 December 2024, the goodwill impairment calculation did not take into account a £2.5m favourable working capital position which, had it been properly considered, would have increased the loss on discontinued operations from £12.4m to £14.9m. A prior year adjustment has been made in respect of this item. There is no effect on the consideration receivable as a result of this adjustment.

10 Goodwill

Gross carrying amount by operating segment

	Recruitment GB £m	Recruitment Ireland £m	Total £m
Gross carrying amount			
At 1 January and 31 December 2025	54.5	5.7	60.2
Impairment adjustment			
At 1 January and 31 December 2025	33.1	–	33.1
Net book amount at 31 December 2025	21.4	5.7	27.1
Net book amount at 31 December 2024	21.4	5.7	27.1

Impairment – Goodwill

During the year, management considered there to be two groups of cash-generating units, being Recruitment GB and Recruitment Ireland, in line with the operating segments defined in Note 4. Both CGUs have been tested for impairment.

An impairment review was conducted as at 31 December 2025. The recoverable amount of goodwill for Recruitment GB and Recruitment Ireland was determined based on a value-in-use calculation, using forecasts for 2026–28, followed by an extrapolation of expected cash flows over the next two years with a long-term growth rate of 2% (2024: 2%) for each CGU. The forecasts are prepared by the individual operating segments of the Group, which are considered to be the same as the determined CGUs.

Pre-tax discount rates of 16.2% for Recruitment GB and 14.6% for Recruitment Ireland (2024: 17.3% for Recruitment GB, 15.7% for Recruitment Ireland) were used based on the weighted average costs of capital for each operating segment. The recoverable amounts of the CGUs, having considered the higher of value-in-use and fair value less costs to sell, were £105.6m for Recruitment GB and £25.8m for Recruitment Ireland (2024: £66.1m for Recruitment GB, £6.1m for Recruitment Ireland) all being value-in-use.

The discount rates used are based on appropriate, current long-term market rate indicators to give a long-term forward view, whilst also acknowledging historical information.

The results of the impairment review showed headroom in both CGUs. The same calculations indicated that no impairment adjustments were required to the Company's carrying value of its investment. In making the assessment of the recoverability of assets within each CGU a number of judgements and assumptions were required.

The principal judgement relates to the determination of the CGUs, which align with the operating segments, which each have their own management team and head office and generate distinct cash flows. The Group's strategy, historically and going forward, has been to integrate new acquisitions into the main trading entities within each operating segment.

The key estimates in determining the value of the Recruitment GB and Recruitment Ireland CGUs are:

1. *The discount rate.* The impairment calculations use a pre-tax discount rate of 16.2% for Recruitment GB, 14.6% for Recruitment Ireland and a terminal growth value of 2%. These rates are based on the latest weighted average costs of capital for each operating segment. These rates have decreased this year primarily due to reductions in the risk-free rate and Corporate Bond yields. The calculations highlighted headroom of £78.5m (2024: £37.9m) for Recruitment GB and headroom of £11.3m (2024: £6.1m) for Recruitment Ireland. A 1% increase in the discount rates reduces the headroom to £71.6m (2024: £33.6m) for Recruitment GB and reduces headroom to £9.3m (2024: £4.9m) for Recruitment Ireland.

2. *The achievability of the forecasted future cash flows.* There is an inherent uncertainty regarding the achievability of forecasts, as there are macroeconomic factors outside of the Group's control. A sustained underperformance of 10% reduces the headroom to £68.0 (2024: £31.3m) for Recruitment GB and reduces headroom to £8.7m (2024: £4.3m) for Recruitment Ireland.

11 Property, plant and equipment

	Land and buildings £m	Computer equipment £m	Fixtures and fittings £m	Motor vehicles £m	Total £m
Gross carrying amount					
At 1 January 2024	16.4	10.1	1.5	0.4	28.4
Additions	0.8	0.2	0.1	0.4	1.5
Disposals	(0.3)	(2.1)	(0.3)	(0.1)	(2.8)
Transfer to disposal group held for sale	(13.1)	(1.9)	(0.5)	(0.1)	(15.6)
At 31 December 2024	3.8	6.3	0.8	0.6	11.5
Additions	0.5	0.2	–	0.5	1.5
Disposals	(0.1)	(3.9)	(0.4)	(0.1)	(4.5)
At 31 December 2025	4.2	2.6	0.4	1.0	8.2
Depreciation					
At 1 January 2024	11.3	9.8	1.5	0.3	22.9
Charged in the year – operating	1.7	0.7	0.2	0.1	2.7
Disposals	(0.3)	(2.1)	(0.3)	–	(2.7)
Transfer to disposal group held for sale	(11.4)	(2.4)	(0.7)	(0.1)	(14.6)
At 31 December 2024	1.3	6.0	0.7	0.3	8.3
Charged in the year – operating	0.8	0.1	0.1	0.2	1.2
Disposals	(0.1)	(3.6)	(0.5)	(0.1)	(4.3)
At 31 December 2025	2.0	2.5	0.3	0.4	5.2
Net book value					
At 31 December 2025	2.2	0.1	0.1	0.6	3.0
At 31 December 2024	2.5	0.3	0.1	0.3	3.2

Land and buildings and intangible assets, software include the following right-of-use assets:

	Carrying amount £m	Depreciation expense £m
At 31 December 2025		
Office buildings	2.0	(0.8)
Software	1.9	(0.3)
	3.9	(1.1)
At 31 December 2024		
Office buildings	2.5	(0.9)
Software	2.2	–
	4.7	(0.9)

12 Leases

Lease liabilities are presented in the statement of financial position as follows:

	2025 £m	2024 £m
Current	1.0	1.0
Non-current	3.0	3.7
	4.0	4.7

The Group has leases for its operational and administrative offices. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 11).

Unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can typically only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure items of property, plant and equipment and incur maintenance costs on such items in accordance with the lease contracts.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the balance sheet:

Right-of-use asset	No of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term	No of leases with extension options
Office building	26	0.5 to 9.2	2.9	–
Software	1	6	6	1

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2024 and 2024 were as follows:

	Minimum lease payments due					Total £m
	Within one year £m	1-2 years £m	2-3 years £m	3-4 years £m	After 5 years £m	
31 December 2025						
Lease payments	1.1	1.0	0.7	0.5	1.2	4.5
Finance charges	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)
Net present value	1.0	0.9	0.6	0.4	1.1	4.0
31 December 2024						
Lease payments	1.2	1.0	0.9	0.6	1.6	5.3
Finance charges	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.6)
Net present value	1.0	0.9	0.8	0.5	1.5	4.7

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2025 £m	2024 £m
Short-term leases	0.1	0.3
Leases of low-value assets	1.0	0.4
	1.1	0.7

The Group has not committed to any leases that have not yet commenced.

Total cash outflow for leases for the year ended 31 December 2025 was £1.7m (2024: £1.9m).

13 Derivative financial instruments

	2025 £m	2024 £m
Cash flow hedges – net value	–	0.4

Effective from 14 October 2024, the Group entered into an amortising interest rate collar instrument, comprising:

- a cap element to reduce exposure to interest rate increases above 4.75% above SONIA on an aggregated two-thirds of the RFA and the customer finance arrangements, and,
- a floor element, based on the same nominal values and over the same period as the cap, to pay the issuer the differential if the SONIA interest rate falls below 2.51%.

The instrument, which has a term of five years from 14 October 2024, is based on quarterly notional amounts varying between £58.9m and £77.3m, with an average of £68.6m. The instrument was acquired for no upfront premium.

The Group designates its financial instruments as hedged instruments in a cash flow hedge relationship. All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the statement of financial position. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

The fair value of the derivative is based on market data to calculate the present value of all estimated flows associated with it at the balance sheet date. The interest rate cap is classed as a level 2 financial instrument in accordance with IFRS 13 classification hierarchy. Level 2 financial instruments are not traded in an active market, but the fair value is based on quoted market prices, broker/dealer quotations, or alternative pricing sources with reasonable levels of price transparency.

The movements on the fair value of the derivative financial asset and on the cost of hedging reserve are as follows:

	Cost of hedging reserve £m	Derivative financial asset £m
At 31 December 2024	0.9	1.7
Movement through comprehensive income – hedge ineffectiveness	–	–
Movement through cost of hedging reserve	(0.4)	(1.3)
Deferred taxation	(0.3)	–
At 31 December 2024	0.2	0.4
Movement through comprehensive income – hedge ineffectiveness	–	–
Movement through cost of hedging reserve	(0.4)	(0.4)
Deferred taxation	–	–
At 31 December 2025	(0.2)	–

14 Cash

	2025 £m	2024 £m
Cash and cash equivalents	8.4	14.6

Cash and cash equivalents consist of cash on hand and balances with banks only. The majority of cash on hand and balances with banks are held by subsidiary undertakings; however, the balances are available for use by the Group.

Long-term credit ratings for the Group's banks are currently as follows:

	Fitch	Standard & Poor's	Moody's
Royal Bank of Scotland plc	AA-	A+	A1
National Westminster Bank plc	AA-	A+	A1

The Group's headroom versus available committed bank facilities is as follows:

	2025 £m	2024 £m
Cash at bank (as above)	8.4	14.6
Undrawn Receivables Finance Agreement	53.2	61.3
Banking facility headroom	61.6	75.9

15 Borrowings

Borrowings are repayable as follows:

	2025 £m	2024 £m
In one year or less or on demand	7.9	6.0
In more than one year but not more than two years	0.9	0.9
In more than two years but not more than five years	1.0	1.3
In more than five years	1.1	1.5
Total borrowings	10.9	9.7

	2025 £m	2024 £m
Split:		
Current liabilities:		
Receivables Finance Agreement	6.9	5.0
Lease liabilities	1.0	1.0
	7.9	6.0
Non-current liabilities:		
Lease liabilities	3.0	3.7
Total borrowings	10.9	9.7
Less: Cash (note 14)	(8.4)	(14.6)
Net (cash)/debt	2.5	(4.9)

During the year a Receivables Finance Facility (“RFA”) was provided jointly by RBS Invoice Finance Limited and, following the withdrawal from the syndicate of ABN AMRO Asset Based Finance N.V., UK Branch on 12 March 2025, by Leumi UK Group Limited. The key terms of the facility, are set out below:

- a) Maximum receivables financing facility of £60.0m over a four-year term, with a one-year extension option;
- ii) An Accordion option of up to an additional £20m, subject to lender approval;
- iii) Security on all of the assets and undertakings of the Company and certain subsidiary undertakings;
- iv) Interest accruing at a maximum of 2.25% over SONIA, with a margin ratchet downward to 1.5%, dependent upon the Group’s leverage reducing to less than 1.00x,
- v) A non-utilisation fee of 0.35%;
- vi) Maximum net debt (averaged over a rolling three months) to EBITDA leverage covenant of 4.0x; and
- vii) Minimum interest cover covenant of 2.25x the last 12 months EBITDA to finance charges.

EBITDA is defined as earnings before interest, taxation, depreciation and amortisation.

The Group also uses Customer Financing arrangements whereby specific customer invoices are settled on a weekly basis, in advance of their normal settlement date. The value of invoices funded under the Customer Financing arrangements was £66.6m at 31 December 2025 (2024: £74.1m). Costs incurred in relation to these arrangements are charged to comprehensive income as finance charges when incurred. The amounts settled under each customer’s agreement are limited to the amounts invoiced to that customer each week. The total finance charges incurred during the year amounted to £4.1m (2024: £4.7m).

For the period to 31 December 2027, the Group’s cash flow forecasts indicate ongoing headroom in the RFA and full compliance with the financial covenants described above. The likelihood of a breach of the financial covenants is considered to be remote.

16 Share capital

	2025 £m	2024 £m
Allotted and issued		
123,011,721 (2024: 142,330,164) ordinary 10p shares	12.3	14.2
	2025 Number	2024 Number
Shares issued and fully paid at the beginning of the year	142,330,164	149,190,956
Shares cancelled during the year	(19,318,443)	(6,860,792)
Shares issued and fully paid at the end of the year	123,011,721	142,330,164

All Ordinary Shares have the same rights and there are no restrictions on the distribution of dividends or repayment of capital with the exception of the 6,585,854 shares held at 31 December 2025 (2024: 8,535,706 shares) by the Employee Benefit Trust where the right to dividends has been waived.

Pursuant to an announcement of the launch of a share buyback programme on 10 June 2024 the Company purchased 6,860,792 Ordinary Shares in the capital of the Company (the "Ordinary Shares") at a cost of £2.5m during the year ended 31 December 2024.

On 25 February 2025 the Group announced the commencement of a buyback programme to be carried out in two tranches, the first being for 15,517,851 Ordinary Shares and the second being for 12,440,000 Ordinary Shares. The second tranche being subject to approval of the relevant resolution at the Company's 2025 Annual General Meeting. Tranche 1 of the buyback programme completed on 11 April 2025, having purchased 15,517,851 Ordinary Shares for a total consideration of £4,843,094, at an average price of 31.2p per share.

At the Company's AGM on 21 May 2025, the members approved a resolution to purchase the Company's Ordinary Shares up to a maximum number of 19,021,847. On 22 May 2025 the Group announced launch of Tranche 2 of the 2025 buyback programme for the acquisition of up to 12,400,000 Ordinary Shares. During the year, pursuant to Tranche 2, the Company purchased 3,800,592 Ordinary Shares for a total consideration of £1,670,192, at an average price of 43.9p per share. Up to the date of this report, the Company acquired a further 2,040,406 Ordinary Shares, which completed Tranche 2 of the buyback programme, for a total consideration of £986,714, at an average of 48.4p per share.

The Ordinary Shares purchased pursuant to the share buyback programme have been cancelled.

17 Cash flows from operating activities

Reconciliation of profit/(loss) before taxation to net cash inflow from operating activities	2025 £m	2024 £m
Profit/(loss) before taxation from:		
Continuing activities	7.4	5.0
Discontinued operations	(0.7)	(12.2)
	(6.7)	(7.2)
Adjustments for:		
Net finance charges	5.6	4.9
Depreciation and amortisation – underlying	2.9	4.7
Goodwill impairment	–	14.5
Loss on disposal of property, plant and equipment	0.4	–
Cash generated before changes in working capital and share options	15.6	16.9
Change in trade and other receivables	(46.0)	(20.0)
Change in trade, other payables and provisions	34.9	23.9
Cash generated from operations	4.5	20.8
Share-based payments expense	1.1	0.7
Receipts from SAYE scheme options	0.3	–
Net cash inflow from operating activities	5.9	21.5

Movement in net debt

	2025 £m	2024 £m
Net cash/(debt) at 1 January	4.9	(0.2)
Net drawdowns from Receivables Finance Agreement	(1.9)	4.5
Lease payments, additions, disposals and interest	(0.7)	(0.7)
Change in liabilities arising from financing activities	3.7	3.6
Change in cash and cash equivalents	(6.2)	1.3
Net (debt)/cash at 31 December	(2.5)	4.9
Represented by:		
Current borrowings (note 15)	(6.9)	(5.0)
Lease liabilities (note 12)	(4.0)	(4.7)
	(10.9)	(9.7)
Cash and cash equivalents	8.4	14.6
Net (debt)/cash at 31 December	(2.5)	4.9

The movements in net debt can be further summarised as follows:

	Lease Liabilities £m	Receivables Finance Agreement £m	Movements from financing activities £m	Cash £m	Total £m
Net debt as at 1 January 2024	(4.0)	(9.5)	(13.5)	13.3	(0.2)
Cash flows during the year	2.5	4.5	7.0	1.3	8.3
Non-cash movements in leases	(3.2)	–	(3.2)	–	(3.2)
Net cash/(debt) at 31 December 2024	(4.7)	(5.0)	(9.7)	14.6	4.9
Cash flows during the year	1.7	(1.9)	(0.2)	6.2	(6.4)
Non-cash movements in leases	(1.0)	–	(1.0)	–	(1.0)
Net cash/(debt) at 31 December 2025	(4.0)	(6.9)	(10.9)	8.4	(2.5)

18 Changes in accounting policies

There were no new accounting pronouncements requiring adoption in the year.

19 Post balance sheet events

Between the balance sheet date and the date of this report, the Company acquired 2,040,406 Ordinary Shares, which completed Tranche 2 of the buyback programme, for a total consideration of £986,714, at an average of 48.4p per share. The Ordinary Shares purchased pursuant to the share buyback programme have been cancelled.

There were no other events between the balance sheet date of 31 December 2025 and the approval of these accounts on 23 March 2026, that are required to be brought to the attention of shareholders.