Scaling With Purpose: MPB Group Limited Annual Report and Consolidated Financial Statements

For the Year Ended 31 March 2025

Our Mission & Purpose

Mission

To be the leading platform in our chosen markets for photographers and filmmakers to trade equipment, with the fastest and most personalised experience.

Purpose

To open up the world of visual storytelling in a way that's good for people and planet.

Our Values

Better, connected

We value inclusivity in our industry, our teams, our opinions and our work. We collaborate actively and communicate globally to offer a supportive environment for everyone.

Passionately ambitious

We bring passion, creativity and integrity to deliver for our customers. We are visionary and bold in our approach to support visual storytellers and the circular economy.

Agents of change

We are innovative and adapt quickly, efficiently and proactively. We champion continuous improvement.

Empowering and empowered

We embrace the tools, knowledge, opportunity and responsibility to deliver. We are accountable for our actions.

Focused on excellence

We strive for sustainable excellence, proactively recognise effort and celebrate success. We learn from our mistakes and put them behind us quickly.

Insight driven

We make informed decisions supported by data, with the customer at the centre of everything we do.

Contents

Company Information

For the year ended 31 March 2025

Directors:

M P Barker
J D Bilefield
M S Mead
K Mitchell
S J Ryan
Vitruvian Directors I Limited
Vitruvian Directors II Limited
S Wossagk
S M Keane
K McCormick

Registered Office:

64 Ship Street
Brighton
East Sussex
BN1 1AE

Registered Number:

09443023 (England and Wales)

Independent Auditors:

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Performance Highlights

GROSS MERCHANDISE VALUE (GMV*)

£224.8m

2024 £191.7m

2023 £150.4m

PLATFORM INVESTMENT (£M)

£4.9m

2024: £3.8m
2023: £2.8m

ACTIVE CUSTOMERS

376k

2024 337k

2023 264k

MI TAKE RATE** (%)

31.8%

2024 31.2%

2023 29.6%

NO. OF PRODUCTS RECIRCULATED

564k

2024 507k

2023 401k

ADJUSTED EBITDA (£M)

£2.7m

2024 **(£1m)**

2023 **(£3.2m)**

GLOBAL NPS SCORE

74

2024: 74
2023: 71

*Gross Merchandise Value (GMV) is a non-IFRS metric used in the Group's internal management reporting. It represents the gross sales value of goods sold to customers before the impact of returns and other IFRS adjustments. GMV is inclusive of VAT (where applicable), inclusive of delivery charges billed to customers, and exclusive of US sales tax. It is reported before discounts are applied and excludes any transactions not completed, such as goods sent out on return.

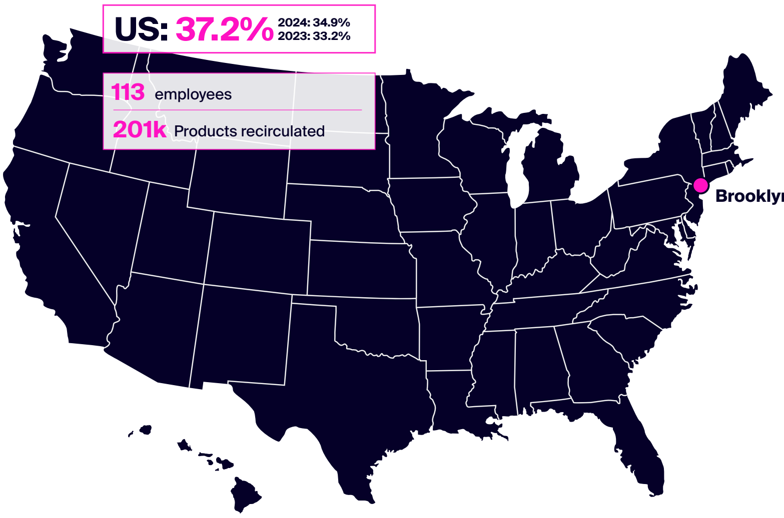
**The MI Take Rate is a non-IFRS management-defined metric used internally to assess the proportion of net revenue the Group retains after accounting for the cost of goods sold. It is calculated as: Net Revenue/ Net Merchandise Value. This aligns with the figures presented within the Marketplace Profit and Loss Account disclosed in this report. As a management-defined metric, it is not directly comparable to IFRS gross margin and should be considered alongside statutory measures.

PROPORTION OF GMV BY CIRCULAR COMMERCE CENTRE IN FY25

% of Gross Merchandise Value

US: 37.2% 2024: 34.9% 2023: 33.2%

113 employees
201k Products recirculated

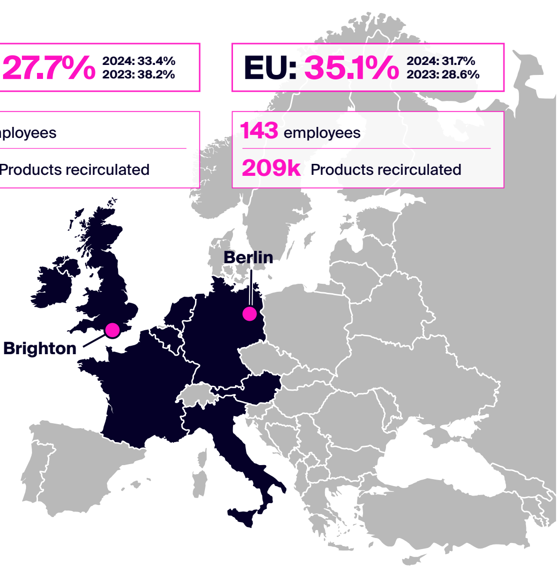


UK: 27.7% 2024: 33.4% 2023: 38.2%

237 employees
154k Products recirculated

EU: 35.1% 2024: 31.7% 2023: 28.6%

143 employees
209k Products recirculated



CEO Foreword

FY25 was a landmark year for MPB. We delivered strong growth, with revenues rising 15.5% to £199.3 million, gross profit increasing 18% to £60.4 million, and the Group reaching positive adjusted EBITDA for the first time. This performance underlines the strengths of our customer proposition, scalability of our platform and the success of our international expansion.

Our mission is to bring trust and consistency to a fragmented used kit market. By combining our scale with proprietary data and technology, we provide a platform where photographers and videographers can buy, sell and trade with confidence. This proposition continues to resonate. During the year we welcomed our one millionth unique customer, active users rose 11.6% to 376,000 and we recirculated more than half a million items of kit, helping to extend product life and support the circular economy. Customer satisfaction remains a clear differentiator, with our global NPS holding at 74 – a very strong score for a consumer business of our scale.

International expansion is now the main driver of our growth. More than 70% of MPB's revenue comes from outside the UK, with the US our largest market and Europe delivering strong gains following the successful launch of new local platforms during the year. Our Circular Commerce Centres in Brighton, Brooklyn and Berlin give us the infrastructure to continue our profitable international expansion.

Supporting this growth, we continue to invest in our proprietary pricing engine and platform capabilities, ensuring our marketplace remains dynamic, transparent and scalable. These investments allow us to optimise inventory, improve liquidity and enhance the overall customer experience, while also strengthening the foundation for sustained profitability as the Group grows.

Our achievements are the result of the hard work and commitment of all the MPB team. Their expertise and energy drive the progress we have made and will remain central as we continue to expand. I would like to thank them all for their contribution to another successful year.

Looking ahead, our priorities are clear: to enhance the customer experience, deepen our presence in international markets and scale profitably. With a strong financial foundation and a clear strategy, MPB is well positioned to capture further growth and create long-term, sustainable value.

Matt Barker

Founder and Chief Executive

Group Strategic Report

The directors present the Group Strategic Report and financial statements for MPB Group and its subsidiaries ("MPB" or the "Group") for the year ended 31 March 2025 ("FY25"). MPB Group Limited is a holding company for the subsidiary companies MPB Europe Limited, MPB US Inc. and MPB GmbH, providing management and technology services to them.

Last year, we set out a growth strategy focused on improving accessibility globally through further local platform launches within the EU, alongside investing further in our US brand awareness. Following the successful debut in the Netherlands in March 2024, we quickly expanded to Austria, Belgium, Ireland and Italy by October. These launches give visual storytellers in each market a localised experience, making it easier to buy, sell and trade gear, while contributing to the circular economy. This expansion helped us surpass one million unique customers globally in FY25, and deliver international gross profit of £60.4m.

Performance Highlights & Business Review

MPB continues to transform the way people buy, sell and trade used photo and video gear. As the largest global platform dedicated to used photography and videography equipment, we serve everyone — from those discovering visual storytelling for the first time to experienced professionals.

We are committed to making gear more accessible and affordable, while shaping a more sustainable future, as reflected in our purpose: *"to open up the world of visual storytelling, in a way that's good for people and the planet."* In the past year alone, we recirculated over 564,000 items of used kit, extending the life and creative potential of equipment for creators worldwide.

Reflecting our international footprint, MPB is based in the creative hubs of Brighton, Brooklyn and Berlin, powered by proprietary technology. At its core is our industry-leading dynamic pricing engine, built on more than a decade of data, millions of data points across 12,000+ models, and three pricing zones, ensuring real-time fair value for buyers and sellers.

Our platform and business model give visual storytellers everywhere a simple, safe and circular way to access gear. This purpose clearly resonates with our customers, reflected in our global NPS holding steady at 74 in FY25 (2024: 74).

This year, revenue grew 15.5% to £199.3m, with 376,000 active customers. Our international expansion delivered strong growth: more than 72% of revenue now comes from outside the UK. Across Europe, rapid localised launches in Austria, Belgium, Ireland and Italy brought MPB to more customers in the European Union (EU), a key growth market.

These achievements underline the strength of our model: scalable, customer-focused, and circular by design.

MPB achieved another year of strong growth in FY25, powered by strategic investment in our industry-leading technology, continued expansion into new localised markets, and high levels of customer loyalty. By focusing on delivering the best experience and expanding the breadth of gear available, we have strengthened our position as the leading platform for used photo and video equipment. Our success was recognised once again with a place on the *FT1000: Europe's Fastest Growing Companies List* for the fifth consecutive year – highlighting MPB's leadership in the circular economy and the rising demand for sustainable, used marketplaces.

Our growth strategy focused on improving accessibility through local platform launches. Following the successful debut in the Netherlands in March 2024, we quickly expanded to Austria, Belgium, Ireland and Italy by October. These launches give visual storytellers in each market a localised experience, making it easier to buy, sell and trade gear, while contributing to the circular economy. This expansion helped us surpass one million unique customers globally in FY25, and achieve our highest customer count in EU markets since 2022.

To further support our customers, we continue to enhance our dynamic pricing technology, which proactively adapts to trends on both the buy and sell side, driving the recirculation of used gear. In November 2024, we also introduced the **MPB Used Camera Gear Price Index** – an interactive tool that tracks pricing trends for the top 100 products over 3 to 36 months. This innovation not only strengthens our platform but also shares our market expertise with photographers and videographers worldwide, enhancing transparency and confidence in the used market (see case study on page 10).

Helping customers understand pricing trends through MPB's unrivalled data

CASE STUDY

Cameras and lenses are built to last and remain compatible and effective over many years. As used camera gear prices continually change, how can photographers and videographers keep track of pricing trends?

With the world's largest inventory of used photo and video equipment and over a decade of ever-growing data, MPB is the market expert in the pricing of used gear. In November 2024, we launched the **MPB Used Camera Gear Price Index**, an interactive visualisation of used camera and lens pricing trends.

Powered by MPB's proprietary dynamic pricing engine – Re.Value – this first-of-a-kind index uses millions of data points to allow customers to view trends over 3 to 36 months for the top 100 products on the MPB platform. This includes trends by camera brand and product type across the EU, UK and US.

The index is free to use and is accompanied by insightful stories on the latest pricing trends.

We place customer satisfaction at the centre of everything we do, monitoring feedback through Trustpilot, Reseller Ratings, NPS and other tools. Across all markets, users consistently reported high satisfaction when buying, selling or trading on the MPB platform. Our **Group Global NPS remained strong at 74** in Q4 FY25 (2024: 74), which represents an excellent score for a consumer business.

Our team grew sustainably during the year, with Group headcount rising from 444 to 493, reflecting investment in talent around our hubs in Brighton, Berlin and Brooklyn. This was the first full year benefiting from the expanded Berlin and Brooklyn Circular Commerce Centres, which provide the capacity to support MPB's growth trajectory in FY25 and beyond.

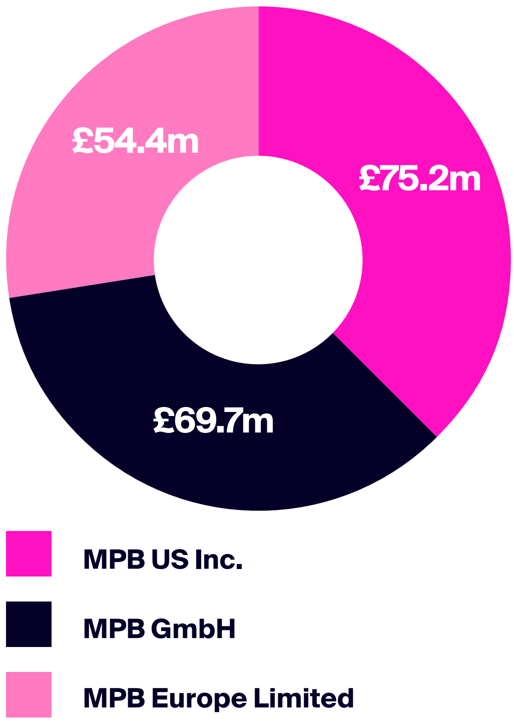
In line with our strategic roadmap, MPB invested £4.9m this year to enhance our proprietary recommerce technology and strengthen the Group's capabilities. This included significant upgrades to our Circular Commerce Centre software and our consumer platform, which together underpin every interaction between buyers and sellers. These improvements ensure we continue to deliver the best possible trading experience for our customers while scaling efficiently.

On a consolidated basis, the Group delivered a strong financial performance in FY25. Active customers (defined as those who transacted with the Group in the preceding 12 months) rose 11.6% to 376,000, driving revenue growth of 15.5% to £199.3m. Gross profit increased 18% to £60.4m (2024: £51.2m), with margins and unit economics improving. Take rate - MPB's management margin defined as Revenue per GAAP less cost of goods sold - increased 53 bps to 31.8% (2024: 31.2%), demonstrating the strength of our model as we scale into new markets and continue to optimise the customer journey.

By region, **MPB Europe Limited** delivered £54.4m revenue (2024: £56m), reflecting a 2.9% decline as the UK — our most mature market — shifts focus toward profitability. Gross margin increased to 27.7% (2024: 27.2%), highlighting success in this strategy.

MPB US Inc. continued its strong growth, with revenue up 22.3% to £75.2m (2024: £61.5m). Gross margin rose to 33.3% (2024: 32.6%), supported by investment in the customer journey and expansion of our US Circular Commerce Centre to secure capacity for the next five years.

GEOGRAPHIC BREAKDOWN OF REVENUE (£M)



In its fourth full year of being based in Berlin, **MPB GmbH** continued its strong growth trajectory and is now the largest in size of our three operations, with expectations of continuing growth on this trajectory into FY26. MPB GmbH delivered a revenue increase of 26.3% to £69.7m (2024: £55.2m) in the year, as customers are increasingly attracted to the MPB's sustainable and circular business model. Our strategy of localised country specific platforms in the EU continued with our ambitious localised market launch into Austria, Belgium, Italy and Ireland all within the space of four weeks in October 2024. These four markets now sit alongside our local French, German and The Netherlands platforms in the EU and were identified as markets benefiting from localisation for various reasons. Italy and Austria were identified as a high potential growth markets due to already representing a significant proportion of EU sales. The Italian localisation was the first roll out of a platform in the Italian language, allowing a lower-than-average English-speaking population a more familiar platform experience. Belgium also represented a significant percentage of our revenue however was fragmented across various language platforms, therefore a localised platform allowed MPB to support our Belgian customers more consistently. Ireland has always been an important market for MPB, where we have many longstanding customers and as such we wanted to provide them with the best experience possible.

The Group delivered a consolidated adjusted EBITDA profit of £2.7 million for the year (2024: £1.0 million loss), reflecting strong execution and well-balanced investment, providing a solid platform for profitable growth going forward. Adjusted EBITDA is defined as earnings before interest, tax, depreciation, and amortisation, adjusted to exclude non-cash share-based payment charges of £2.3 million (2024: £0.9 million) and net foreign exchange losses of £1.0 million (2024: £0.2 million gain). The adjusted EBITDA margin improved to a positive 1.4% (2024: negative 0.6%), highlighting enhanced operational efficiency and cost management. Operating loss before tax, finance charges and finance income decreased for the year to £5.5 million (2024: £6.5m). After financing and tax charges, the loss after tax from continuing operations for the year was £7.1 million (2024: £7.9m).

Adjusted EBITDA	**2025 £m**	**2024 £m**
Comprehensive Loss for the Year	**(6.3)**	**(8.0)**
Add back:		
Other Comprehensive FX Gains	(0.9)	(0.4)
Income Tax	(0.5)	0.2
Loss Before Income Tax	(7.6)	(8.2)
Add back:		
Interest	2.2	1.6
Depreciation and Amortisation	4.9	4.5
Share Based Payment Charge	2.3	0.9
FX Losses/(gains)	1.0	0.2
Adjusted EBITDA	**2.7**	**(1.0)**

**Adjusted EBITDA excludes non-cash share-based payment charges of £2.3m (2024: £0.9m) and net foreign exchange losses of £1.0m (2024: £0.2m gain).*

As part of its internal management reporting, MPB tracks the performance of its platform-based re-commerce model through a 'Marketplace P&L'. This non-statutory financial summary provides insight into the profitability of the Group's core activity: acquiring photographic and videography equipment from customers (sell-side) and reselling to buyers (buy-side) via the MPB platform.

The Marketplace P&L is prepared on a management basis and reflects MPB's operational view of trading performance. It includes internal performance metrics such as Net Merchandise Value (NMV), Net Revenue (defined as realised trading margin), and Contribution, and is used by the Board and management to assess performance, monitor trends, and inform strategic decisions.

It does not incorporate statutory adjustments such as lease accounting under IFRS 16, FX revaluations, or IFRS-based consolidation treatments. As a result, it is not directly comparable to the statutory income statement presented in the financial statements. To ensure transparency, a reconciliation to the Group's Consolidated Statement of Comprehensive Income is provided below:

Consolidated Marketplace P&L	**2025 £m**	**2024 £m**
NMV	200.3	170.6
Net Revenue	**63.6**	**53.3**
Direct Costs	(18.3)	(16.9)
Gross Profit	45.3	36.4
Marketing Costs	(18.6)	(15.9)
Contribution	26.7	20.5
Administrative Expenses	(25.9)	(23.4)
EBITDA	0.8	(2.9)
Depreciation	(3.2)	(2.7)
Interest	(1.2)	(0.7)
FX (Gain) / Loss	0.0	0.0
Loss Before Tax	(3.6)	(6.3)
Gross Profit as a % of Net Revenue	71.23%	68.29%
Contribution as a % of Net Revenue	41.98%	38.46%
EBITDA as a % of Net Revenue	1.26%	-5.44%

Definitions

NMV - Net Merchandise Value the gross transaction value of goods sold on the platform. This represents the total value of buy-side sales (i.e. customer purchases), after deductions for refunds, discounts and VAT. Defined as Revenue per IAS/GAAP.

Net Revenue - Calculated as Net Merchandise Value minus the Cost of Goods Sold (COGs)

Direct Costs - Includes direct costs such as shipping, handling, inspection, and other costs required to make inventory ready for resale. These are treated as direct costs separate from the purchase price of inventory.

Gross Profit - Equal to Net Revenue minus Direct Costs. It represents the margin available after delivering the product to the buyer. Gross Profit as % of Net Revenue = Gross Profit / Net Revenue

Marketing Costs - Direct Marketing spend for the period

Contribution - Contribution to overheads. Gross Profit less direct marketing costs Contribution as % of Net Revenue = Contribution / Net Revenue

Administrative Expenses - All Non-Direct Overhead costs such as Property Costs, Staff Costs, SaaS and Professional & Legal fees

EBITDA - Earnings before interest, tax, depreciation, amortisation, and exceptionals. A key profitability measure before financing and accounting adjustments. EBITDA as % of Net Revenue = EBITDA / Net Revenue

Reconciliation Between Marketplace and Statutory Loss Before Tax	2025 £'000
Loss Before Income Tax (Marketplace P&L)	(3,591)
Legacy Balance Sheet Adjustments	28
Customer Returns Provision	(35)
Stock adjustments	(287)
IFRS 16 Lease Adjustment	(205)
Share Based Payment	(2,297)
Foreign Exchange Revaluation on Consolidation	(1,450)
R&D Tax Credit (Income)	237
Loss Before Tax (SOCIE)	(7,600)

Future Developments

Demand for high-quality second-hand equipment continues to grow, driven by affordability, customer choice, and resilience in uncertain markets.

Demand for high-quality second-hand equipment continues to grow, driven by affordability, customer choice, and resilience in uncertain markets. The continued rise of creative passions and content creation is also fuelling demand for accessible, professional-grade equipment. At the same time, global momentum behind circular business models and supportive regulation further strengthen this trend. MPB is well positioned to lead this space, offering customers a cost-effective alternative to new gear, underpinned by the sustainability of our model.

Our strategic roadmap is built around three priorities:

- **Driving growth** by expanding into new markets and deepening customer engagement.
- **Scaling efficiently** by decoupling revenue from cost.
- **Excelling operationally** through continual platform innovation and process improvement.

These priorities are delivered through coordinated functional and cross-functional roadmaps, ensuring we focus on initiatives that deliver the greatest impact.

In FY26–27, MPB will introduce new customer loyalty tools and initiatives designed to strengthen engagement and retention, while continuing to enhance personalisation across the buy-and-sell journey. We are also evolving our data-driven pricing model to ensure fair, dynamic prices worldwide, and will continue to explore new market opportunities, deepening our presence in the US and further localising high-opportunity markets across Europe to drive sustainable, profitable growth.

Our people are our most valuable asset, and we will continue to nurture their development. We are investing in upskilling to ensure teams are future-ready, with particular focus on AI and digital transformation. MPB is taking a proactive and responsible approach to AI adoption — leading investment in new tools and training that enhance efficiency, enable smarter decision-making, and empower our people to focus on higher-value work. Our approach is grounded in our values, ensuring that innovation is implemented ethically, inclusively, and in ways that support the diverse needs of our global teams. Alongside this, we are strengthening people management through leadership toolkits and tailored training across our three geographies. Informed by employee feedback, we have reviewed and enhanced our benefits offering, introducing new initiatives designed to better support and reward our teams.

MPB continues to strengthen supplier oversight and responsible procurement practices, embedding its Modern Slavery Policy into day-to-day operations and maintaining alignment with statutory reporting requirements.

Our platform is the foundation of MPB's success. Purpose-built for a circular, single-SKU inventory model, it continues to evolve to enhance operational agility, safeguard inventory and ensure integrity across every transaction. These improvements allow us to deliver a seamless, high-quality experience for our customers.

We are confident in our direction and focused on the opportunities ahead — building an insight-driven, inclusive business fit for the future, one that delivers long-term value for people and the planet.

Principal Risks And Uncertainties

MPB operates in a fast-changing environment, and the Board monitors risks closely to protect long-term value. Key areas that the Directors hold material include:

- **Market competition:** Few businesses replicate MPB's model, but competitors could expand, or larger marketplaces and manufacturers could introduce similar services. Advances in artificial intelligence (AI) may also enable others to mimic certain aspects of our offering, such as automated pricing or customer tools. We mitigate these risks by monitoring competitor activity and pricing, maintaining our deep expertise in equipment, and continuing to innovate the MPB experience. Importantly, our proprietary dataset — built over more than a decade from millions of transactions across thousands of models - provides a significant moat that AI alone cannot replicate, ensuring our platform remains differentiated and resilient.
- **Data security:** Handling sensitive customer and business data carries regulatory and reputational risk. We address this through strict compliance with data protection standards, continuous upgrades to platform security, and regular employee training. These measures ensure we safeguard data, protect customer trust, and maintain a secure foundation for growth.
- **Talent retention:** Our people are critical to MPB's success, and retaining skilled employees is essential as the business scales. We mitigate this risk through clear career pathways, competitive compensation, and investment in learning and development. By fostering an inclusive, values-driven culture, we strengthen engagement and ensure we can attract and retain top talent.
- **Operational disruption:** Disruption at our Circular Commerce Centres, or industrial action across our business or logistics partners, could impact customer service and pose a risk to our brand and reputation. To mitigate this, we maintain robust health and safety measures, comprehensive business continuity and recovery plans for all sites, and close engagement with employees and suppliers. These safeguards protect service levels and preserve customer confidence even in the face of disruption.
- **Macroeconomic pressures:** Inflation and wider market uncertainty can reduce demand for new equipment, but often increase demand for second-hand alternatives. We monitor conditions closely and adjust pricing dynamically to reflect shifts in supply and demand. Our circular model provides resilience during downturns, allowing us to support customers with affordable, sustainable choices. Based on current trends, this remains a low risk for MPB.

All risks are reviewed regularly within the Group's Risk Register, with relevant contingency plans put in place by the Directors and senior management team.

Key Funding Events

On 5th November 2025, the Company entered into a new loan and guaranty agreement with HSBC Innovation Bank for the provision of an RCF Loan to to draw down up to the value of £20m, with the potential to increase to £25m and alongside this a Term Loan for £7.5m. The RCF has a maturity of the 31st October 2028 and the term loan has a maturity of 1 June 2029. GBP advances accrue floating interest per annum at the rate greater of fairly simple SONIA+4%. Interest is payable in arrears on the last Business day of each calendar quarter, commencing 31 December 2025. GBP advances accrue floating interest per annum at the rate greater of fairly simple SONIA+4.75%. Interest is payable in arrears on the last Business day of each calendar quarter, commencing 31 December 2025. The loan is subject to an interest only repayment period to 31 December 2026. The bank loan is secured by fixed and floating charges over the assets of the company.

Section 172 of the UK Companies Act 2006

The directors of the Company must act in the way they consider, in good faith, to promote the long-term success of the Group and Company for the benefit of its members. Section 172(1) of the Companies Act 2006 requires that businesses and their directors report on their duty to promote the success of the company, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the Group and Company's employees;
- The need to foster the Group and Company's business relationships with suppliers, customers and others;
- The impact of the Group and Company's operations on the community and the environment;
- The desirability of the Group and Company to maintain a reputation for high standards of business conduct; and
- The need to act fairly between members of the Group and Company.

The directors of the Group and Company have made strategic decisions to support the sustainable growth of the business. This includes ongoing investment in technology, the development and retention of our people, and improvements to internal processes to deliver excellence at scale. As set out in this report, our strategy remains focused on enhancing scalability, decoupling revenue and cost growth, and providing our customers with the best possible experience.

The directors are committed to maintaining a governance framework that is fit for purpose, enabling effective decision-making and robust oversight of risks and internal controls. This ensures accountability and transparency across all business activities. As the Group grows and the risk environment becomes more complex, we continue to strengthen our approach to identifying, evaluating and mitigating risks. Oversight is supported by a separate Audit and Risk Committee, which reports directly to the Board.

Throughout FY25, the directors sought to balance the needs of its members with its responsibilities under Section 172 of the Companies Act. This included embedding policies and practices that uphold MPB's reputation for high standards of conduct, particularly in how we engage with key stakeholders.

As a responsible business, we have placed ESG and sustainability at the centre of our corporate strategy, complementing the circular nature of our business model. Our long-term ambition is to become a fully circular business, while continuing to reduce our carbon footprint through more energy-efficient and environmentally responsible operations.

FY25 was the first full year of operation for our cross-functional Sustainability Committee, established in FY24. Together with our Responsible Business team, led by the VP of Finance, these groups deliver against MPB's Sustainability Strategy, which is built around three pillars: **Circular and Renewable, Inclusive and Diverse**, and **Trusted and Ethical**. These pillars guide our goal of building a sustainable business that expands and thrives in a way that is good for people and the planet. Further detail on our commitments and progress is shared in the FY25 MPB Impact Report.

Our efforts were recognised this year when MPB won Campaign magazine's *Ad Net Zero Award* for the second time in three years, for *Living Our Purpose* — our purpose-led approach to marketing. This recognition highlights our contribution to a net-zero future and to more sustainable advertising, marketing, and business practices.

We also take our wider social responsibility seriously. Employees are encouraged to use volunteering days to support local communities and projects, with 96 days taken during FY25.

The directors recognise that promoting the long-term success of the Group relies on smooth operations and the collective efforts of all stakeholders. Effective communication and collaboration with stakeholders are therefore essential. The Board and Executive team remains attentive to stakeholder views and concerns, and ensures that feedback informs decision-making and ongoing priorities.

Our People

MPB's success is powered by our most valuable asset – our dedicated and knowledgeable employees. Their expertise, creativity and commitment drive the business forward, and we are proud to invest in their growth, wellbeing and development. Our People strategy focuses on empowering individuals to thrive while fostering a connected, inclusive culture that supports excellence across the business.

Following a period of rapid growth across our operations in Brighton, Brooklyn and Berlin, our priority has evolved. We are now focused on nurturing development, strengthening retention, and embedding a culture of excellence across the Group. This has been supported by enhancements to our People policies, including improvements to leave and benefits with greater emphasis on mental, physical and emotional wellbeing. In FY25 we launched new mental health resources, including webinars, and from April 2025 every employee will benefit from a dedicated annual Wellbeing Day – giving space to recharge in ways that matter to them, whether resting, spending time with family, enjoying the outdoors or pursuing personal passions.

Employee safety remains paramount. Health and safety guidelines, supported by robust measures and regular training, are in place across all locations to ensure a safe working environment. We actively consult employees and seek feedback to confirm confidence in these measures and to continuously improve.

Talent development was also a priority in FY25. We invested in upskilling to meet the needs of a changing market while encouraging internal mobility across functions and geographies. Our Learning Lab continues to provide on-demand access to training and development tools, empowering all of our people to grow both personally and professionally.

In addition, every people manager at MPB has now completed our Management Development Programme. Looking ahead, and in line with our roadmap, we will launch new toolkits to reinforce this learning, with tailored and localised training across our global teams. This will include additional support and emphasis on mentoring and leadership skills to prepare managers to guide and inspire their teams.

MPB's communications efforts continue to support engagement and connection across our distributed workforce in three geographies, four offices, and from home under our hybrid working policy. With 89% participation in the annual Employee Engagement Survey, we listened closely to feedback — particularly around communication. In response, we launched HomeHub, our new internal platform that connects employees to company updates, tools, resources and each other. HomeHub is also a space to celebrate excellence through peer recognition aligned to our Values — *Better Connected, Passionately Ambitious, Agents of Change, Empowering and Empowered, Focused on Excellence*, and *Insight Driven*. To embed these further, we introduced Values Champions, who meet monthly to share ideas, raise awareness and integrate our values into everyday culture.

Our senior leadership team is committed to open and consistent communication. We use a range of channels — from group-wide instant messaging to regular in-person and virtual meetings, including quarterly Town Halls and bi-annual all-employee meetings hosted by the CEO. These platforms, alongside HomeHub, are used to share updates on strategy, performance, working practices and employee wellbeing, while also celebrating milestones and successes, and enabling collaboration across teams and geographies.

We are proud of the diversity of our global team and remain committed to building an inclusive culture. Our structured recruitment and selection process is designed to ensure fairness and to reflect the diversity of the international locations where we operate. This brings breadth of thought, perspective and experience to MPB. Our third annual Workplace Diversity Survey confirmed positive progress, with a workforce comprising 49.1% men (2024: 49.7%), 38.8% women (2024: 40.5%), and 7.4% employees identifying as non-binary or gender diverse (2024: 9.8%). A small proportion of employees chose not to disclose their gender identity. Our gender pay gap analysis further reinforces our commitment to equal opportunity. We continue to publish this data voluntarily, ahead of any requirement under UK gender pay reporting legislation. As this legislation relates to the UK only, we have only included analysis for UK employees below:

Gender Pay Gap Analysis

Proportion of male and female employees across the UK on 5 April 2025:

	April 2025		April 2024		YoY Mvt	
	Female	Male	Female	Male	Female	Male
MPB Group Ltd	48%	52%	46%	54%	52%	2%
MPB Europe Ltd	39%	61%	38%	63%	61%	2%
UK	**45%**	**55%**	**43%**	**57%**	**55%**	**2%**

Difference in average hourly pay for male and female employees, calculated in line with gender pay gap legislation:

	April 2025		April 2024		YoY Mvt	
	Mean	Median	Mean	Median	Mean	Median
MPB Group Ltd	0.4%	7.1%	-1.0%	0.8%	1.4%	1.4%
MPB Europe Ltd	-0.5%	0.0%	-3.3%	-1.9%	2.8%	2.8%
UK	**-5.7%**	**-0.7%**	**-7.7%**	**-5.9%**	**2.0%**	**2.0%**

Our long-term objective is to achieve a 0% difference in average hourly pay between male and female employees. As at 5 April 2025, the gender pay gap at MPB showed higher average hourly pay for women compared to men. At leadership level, women are well represented — 57% of our Executive team and 56% of our wider senior team are female.

The pay gap is influenced by the structure of our workforce, with a higher proportion of employees in our Operations and Customer Experience teams — roles that sit within the lower and lower-middle quartiles of pay. These teams are majority male which impacts the overall average hourly rate for men.

Proportion of men and women in each payroll quartile:

Company/Region	April 2025				April 2024			
	Upper quartile	**Upper middle quartile**	**Lower middle quartile**	Lower quartile	Upper quartile	**Upper middle quartile**	**Lower middle quartile**	Lower quartile
MPB Group - Male	52%	59%	57%	39%	55%	56%	62%	46%
MPB Group - Female	48%	41%	43%	61%	45%	44%	38%	54%
MPB Europe - Male	67%	64%	47%	63%	55%	77%	47%	68%
MPB Europe - Female	33%	36%	53%	37%	45%	23%	53%	32%
UK - Male	**56%**	**56%**	**52%**	**57%**	**55%**	**59%**	**54%**	**62%**
UK - Female	**44%**	**44%**	**48%**	**43%**	**45%**	**41%**	**46%**	**38%**

To close the gender pay gap in the UK, we are taking focused action to achieve greater balance across the business. We are strengthening our recruitment strategy and targeting functions where under-representation remains. This includes increasing female representation in engineering, pricing and operations, while addressing male under-representation in our UK-based marketing, finance and product teams.

Our Customers

We have a clear mission:

> *To be the leading platform globally for photographers and videographers to trade equipment, with the fastest and most personalised experience.*

Customers are at the heart of everything we do. We invest in our people, technology, data and logistics partnerships to deliver a seamless journey, all underpinned by our proprietary data stack that powers a personalised experience at scale.

We actively listen to customer feedback and use insights to refine and enhance the platform. This continual investment in the customer experience has built high satisfaction and loyalty, reflected in our Global NPS holding steady at 74 this year - a strong score for a consumer business of our scale. As we continue to grow and attract new audiences, we know expectations evolve, and we remain focused on understanding and responding to those changing needs.

Monitoring customer sentiment across multiple touchpoints allows us to identify opportunities to improve both the buyer and seller journey. These insights guide the expansion of our product offering globally, while ensuring quality and competitive pricing are maintained. Our dedicated pricing team continues to enhance the intelligence of our dynamic pricing engine, ensuring fairness and accuracy for customers worldwide.

Our promise is simple: MPB is for everyone who wants to try something new, hone their skills, or pursue their passion — without it costing the earth.

ON BEHALF OF THE BOARD:

M P Barker - Director

Date: 20 November 2025

Directors' Report

The directors present their report with the audited financial statements of the company and the group for the year ended 31 March 2025.

Principal Activities

The principal activity of the Company during the year under review was that of a holding company for the Group. The principal activity of the Group during the year under review was that of an online marketplace for the sale of used and new cameras and equipment, which includes lenses and associated digital accessories, specialising in Canon and Nikon.

Dividends

No dividends will be distributed for the year ended 31 March 2025.

Results

The loss for the financial year is £7,140,879 (2024: loss £8,346,300), which is set out on page 32.

No ordinary dividends were paid (2024: £Nil). The directors do not recommend payment of a final dividend.

Research and Development

During the year, the MPB Group has continued to invest in Re:serve (formerly known as Flamingo) its proprietary platform and Re:sell (formerly known as Toucan), its front end consumer website, developing new modules, advancing towards next-generation CRM and releasing the new Austrian, Belgian, Irish and Italian domains in the year.

Technology remains central to the Group's investment for growth, demonstrated by investing £4.9m in technology research and development in FY25 to maintain its market leading position and enable its growth strategy.

Future Developments

The future developments are included within the Strategic Report on page 9.

Post Balance Sheet Events

On 5th November 2025, the Company entered into a new loan and guaranty agreement with HSBC Innovation Bank for the provision of an RCF Loan to to draw down up to the value of £20m, with the potential to increase to £25m and alongside this a Term Loan for £7.5m. The RCF has a maturity of the 29th September 2028 and the term loan has a maturity of 1 June 2029. GBP advances accrue floating interest per annum at the rate greater of fairly simple SONIA+4%. Interest is payable in arrears on the last Business day of each calendar quarter, commencing 31 December 2025. GBP advances accrue floating interest per annum at the rate greater of fairly simple SONIA+4.75%. Interest is payable in arrears on the last Business day of each calendar quarter, commencing 31 December 2025. The loan is subject to an interest only repayment period to 31 December 2026. The bank loan is secured by fixed and floating charges over the assets of the company.

Directors

The directors shown below have held office during the whole of the period from 1 April 2024 to the date of this report.

M P Barker

J D Bilefield

M S Mead

K Mitchell

S J Ryan

Vitruvian Directors I Limited

Vitruvian Directors II Limited

S Wossagk

K McCormick

S M Keane

Going Concern

The financial statements have been prepared on a going concern basis. In making this assessment, the directors have prepared forecasts covering a period of at least 12 months from the date of approval of these financial statements. These forecasts incorporate a range of severe but plausible downside scenarios, including the potential impact of a significant economic downturn on trading performance, as well as the operational and financial implications of a major technological outage. The directors have confirmed their continuing support for the Company’s subsidiaries: MPB Europe Limited, MPB US Inc. and MPB GmbH.

The forecasts indicate that given the cash balances available to the Group, even in the severe reverse stress test of projected revenues, the Company has sufficient funding and additional mitigating resources available to enable it to meet its forecasted operating expenditure for at least 12 months from the date of signing these financial statements. On this basis, the directors consider it appropriate to prepare these financial statements on a going concern basis.

Financial Risk Management

The Group's activities expose it to a number of financial risks including foreign exchange risk, interest rate risk, credit risk and liquidity risk.

Liquidity risk

The Group manages its day to day cash flow requirements through free cash reserves (£7.8m at year end) and the use of MPB Group Limited's revolving credit facility of up to £20m. At year end the revolving credit facility was £16m (2024: £7m). Free cash reserves and the revolving credit facility will assist the Group to achieve its growth plans.

Interest rate risk

The Group has limited interest rate risk. Its existing borrowing, a revolving credit facility, is at a competitive base rate plus SONIA. The Group constantly monitors the interest rate and balances its cash requirements, credit usage and interest cost against the movement in SONIA over time. The Group has benefited from the reducing interest rates in FY25 however continue to remain vigilant and identify opportunities to offset interest costs by reviewing options for fixed term deposits to partially mitigate interest rate risk.

Foreign Exchange risk

The Group's individual trading entities have an element of natural foreign exchange hedging through normal trading in each currency jurisdiction. Due to the high growth nature of each overseas trading subsidiary, the Group's only material foreign exchange risk is the working capital funding requirements of each subsidiary. The Group mitigates this risk through competitive reviews of rates on offer when funding is required. Further mitigating steps are under review within the Group.

Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. Trade and other receivables are primarily receivables in relation to settlements of sales made via payment gateways, this reflects one to three working days of trade, depending on which trading entity they relate to. To date, the Group has had no failures to receive these sums and expects receivables to be fully recoverable going forward.

Qualifying Third-Party Indemnity Provisions and Significant Events

The Company has made qualifying third-party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

There were no significant events during the year.

Limited Liability Agreement

The directors have agreed with the Group's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the Group's financial statements for the year to 31 March 2025 should be limited to the greater of £5m or five times the auditor's fees. In any event, the auditor's liability for damages should be limited to that part of any loss suffered by the Group as is just and equitable, having regard to the extent to which the auditor, the Group and any third parties are responsible for the loss in question. The shareholders approved this limited liability agreement, as required by the Companies Act 2006, by resolution dated 9 March 2025.

Employee Involvement

The Group's policy is to consult and discuss with employees using both traditional methods of communication and technology involving video conferencing, group-wide instant messaging solutions, calls, electronic newsletters, team collaboration applications and online suggestion and feedback schemes. Further information on employee engagement is provided in the Strategic Report.

Employment of Disabled Persons

The Group is committed to the recruitment of employees on the basis of aptitude and ability and gives full and fair consideration to the recruitment, training, continuing employment and promotion of disabled persons.

Engagement With Other Stakeholders

Further information on engagement with other stakeholders is provided in the Strategic Report.

Our People

Our People are integral to the success of MPB and we are committed to equal gender representation throughout the Group. To highlight this commitment, we introduced our inaugural gender pay gap report which is disclosed within our Strategic Report. This disclosure is reported voluntarily ahead of any obligation on the Group under UK gender pay reporting legislation. As at 5 April 2025, the date of this gender pay gap report, the Group had 228 UK-based employees working across MPB Group Limited and MPB Europe Limited.

Streamlined Energy and Carbon Reporting

Energy use and efficiency

MPB leases office and warehouse space in Brighton, Berlin and Brooklyn, and only uses energy purchased and supplied through the grid in these buildings. MPB does not own or operate road vehicles and our warehouse machinery only uses grid energy.

All of our premises use electricity and two also use natural gas for water and space heating:

- In Brighton, our three sites use electricity; one of our two office buildings also uses natural gas since our re-commerce centre completed the electrification of heating and cooling in January 2024.
- In Berlin, our premises use electricity year-round and natural gas for heating. The landlord recently commenced charging for gas usage since 2022 and this has been incorporated in updates to our annual Greenhouse Gas footprint (Scope 1).
- In Brooklyn, our premises only use electricity.

This year we participated in UK ESOS (Energy Savings Opportunity Scheme) compliance for the first time. Independent energy audits were conducted in February 2024 and our ESOS action plan was submitted in December 2024. Following implementation of insulation and electrification works in FY24, the action plan has a strong focus on monitoring and measuring efficient use of energy. The data is collected on a calendar year basis and therefore the FY25 reporting uses calendar year 2024 data and the FY24 reporting uses calendar year 2023 data

MPB carbon footprint

MPB has been tracking and seeking to reduce greenhouse gas (GHG) emissions from its core operations since FY22. Our methodology follows the Greenhouse Gas Protocol. Most of the data used is from landlords and third party suppliers, therefore our carbon accounting is for the calendar year ending 31 December.

Our 2024 GHG footprint reported here covers the same activities as the 2023 GHG footprint; GHG emissions from the energy used in MPB leased buildings and from our use of third party courier services, digital advertising, cloud-based data centres, recycling and municipal water services, as well as staff commuting, business flights and overnight stays.

During the year MPB continued to grow turnover, inventory volume and value, and employee headcount, but our 2024 greenhouse gas footprint - total Scope 1, 2 and 3 emissions - is slightly lower than 2023's total which is mainly due to reduction in estimated emissions from digital media.This was achieved by reducing spend on high-carbon media types.

In addition to the absolute CO2e for Scopes 1, 2 and 3, we also report two intensity metrics for each of Scopes 1, 2 and 3: annual turnover and annual customers. The turnover metric used is consolidated revenue in GBP millions (£199.3m in FY25); the customers metric is per 000,000 unique buyers and sellers (383.5 in FY25).

These intensity metrics show - as the absolute CO2e numbers do - that in 2024 Scope 1 emissions increased due to natural gas usage and expanded space in Berlin notwithstanding reduction in gas usage in Brighton. Scope 2 emissions increased due to expanded space in Brooklyn and electrification in Brighton. Scope 3 emissions continued to trend down.

Energy and carbon goals

Renewable electricity: In early 2022, as part of MPB's sustainability agenda we set a goal to purchase 100% renewable electricity by 2025. In December 2023, we switched to a 100% renewable electricity supply contract for our main UK office and in March 2025 our UK re-commerce centre premises switched to a REGO-backed 100% renewable electricity contract. Additionally, in April 2024 we contracted with Schneider Electric Ltd to procure EAC/REGOs equivalent to our annual usage in three year procurement cycles.

Energy Attribute Certificates (EACs), called REGOs in the UK, are certificates issued as proof that electricity has been generated from a renewable source. For each MWh of renewable electricity produced and exported into the grid, an EAC is created. By purchasing these energy attribute certificates, MPB is doing its part to expand commercial investment in renewable electricity.

Net zero emissions: We have also set net zero goals i.e. to be as close as possible to zero carbon without carbon offsetting, by 2030 for electricity used in our buildings and by the third party data centres supporting our platform; and by 2035 for courier services on the ground. For air transport, we only use airlines and air couriers that are investing in sustainable aviation fuels and hybrid propulsion, as well as offsetting and carbon removal.

Carbon emissions in 2024

Emissions from natural gas usage are sharply reduced in Brighton due to energy efficiency and electrification of air conditioning. However, natural gas usage in Berlin for which the landlord has commenced retrospective billing is substantial and this is reflected in significantly increased Scope 1 emissions. We are evaluating energy efficiency options as part of planned electric air conditioning works at our Berlin premises.

Emissions from electricity usage also increased, reflecting electrification of air conditioning in Brighton and electricity usage in our larger Brooklyn space.

Emissions from digital advertising (based on electricity usage of online publishers of MPB's display and video advertising) fell by 49% compared to 2023. This reflects a 23% reduction in spend based on pro-active and integrated and performance efficiency optimisation.

Emissions from third party couriers are broadly similar to 2023 on a 'tank to wheel' basis overall; reflecting broadly similar parcel volumes in the UK and Germany and an increase in the United States. This decoupling of carbon from growth reflects ongoing investment by these couriers (DPD, DHL, FedEx) in fuel efficiency and cleaner fuels.

Emissions from business travel decreased slightly compared to 2023 due to a small reduction in flights and a substantial reduction in overnight stays. Emissions from staff commuting, based on a Staff survey in March 2023, are estimated to have increased in line with increase in MPB headcount.

Emissions from use of electricity in third party data centres for our platform and operations has continued to decline, reflecting the supplier's (Google Cloud Services) ongoing investment in green electricity.

Carbon offsetting

We know that carbon offsetting will not stop the climate crisis and that offsetting does not in itself constitute climate neutrality or carbon neutrality; which we believe requires continued reduction and elimination of core activity emissions. But, when done thoughtfully as part of strategic climate action and investment, purchasing verified carbon credits ('offsetting') does make a positive environmental and social contribution.

For our 2024 emissions, we have, as we did for 2023, taken a two-pronged approach to offsetting.

For most of our Annual emissions (i.e. except Scope 2 electricity for which we purchase EAC/REGOs, and Scope 3/Flights), we purchased Gold Standard carbon credits (CO2 avoidance) - 1,500 tonnes CO2 equivalent - of 2023+ issued credits from the Jiko Cookstoves project in Uganda. This multi-district project provides clean and efficient stoves for cooking and heating, avoiding carbon emissions and reducing indoor air pollution and deforestation from burning wood, while saving households money and time. Projects such as these, funded by carbon credits as well as governments, are part of longstanding multilateral climate pledges to low-income countries.

For our Flight emissions, we purchased Verified Carbon Standard (VCS) carbon credits (CO2 avoidance with some removal): 140 tonnes CO2 equivalent, 2023+ issued credits, from the Atlanta Concrete CO2 Capture project in the USA. This project captures a small amount of waste CO2, mineralises it and uses it in concrete production, thereby storing the CO2 permanently in the product while also avoiding CO2 by using less cement. At present the ratio of removal to reduction/avoidance is <10% and >90%, respectively.

Environmental performance data tables 2024

This year we report Natural gas usage in our Berlin premises from 2022 onwards, as the landlord retrospectively provided usage data for 2022 and 2023; and we have estimated it for 2024 as the landlord has not yet provided that data. As a result we have also updated the Resource use table/ Natural Gas and the GHG emissions table/ Scope 1 emissions data for 2022 and 2023 to include the Berlin natural gas usage for those years.

MPB environmental performance data 2025

MPB Greenhouse gas emissions (CO2e) 2025	**2025**	**2024**
	tonnes CO2e	tonnes CO2e
Total Scope 1, 2 and 3 emissions (tCO2e)	**1,688.0**	**1,824.4**
Total Scope 1: Owned or controlled emission sources (incl. natural gas) (tCO2e)	134.0	105.2
Natural gas usage (kwH)	605,989	495,721
Scope 1 emissions intensity (emissions tCO2e/ annual turnover per GBP million)	0.67	0.61
Scope 1 emissions intensity (emissions tCO2e/ MPB per 000,000 customers)	0.35	0.31
Total Scope 2: Indirect emissions: purchased electricity & heating (tCO2eq)	331.0	176.2
Electricity usage (kWh)	676,143	530,442
Scope 2 emissions intensity (emissions tCO2e/ annual turnover per GBP million)	1.66	1.018
Scope 2 emissions intensity (emissions tCO2e/ MPB per 000,000 customers)	0.860	0.520
Total Scope 3: Indirect emissions: purchased goods & services (tCO2e)	1,223	1,543
Scope 3 emissions intensity (emissions tCO2e/ annual turnover per GBP million)	6.14	8.92
Scope 3 emissions intensity (emissions tCO2e/ MPB per 000,000 customers)	3.19	4.57
Scope 3 using like-for-like boundary 2024 vs 2023	***778***	***790***
Digital advertising & paid media	317	625.3
Courier services (tCO2e)	611	582
Staff commuting	121.2	115.7
MPB business travel: flights (tCO2e)	136.2	178.2
Third party data centres: Platform and operations (tCO2e)	8.6	11
Materials recycling and processing (tCO2e)	8.3	8.6
Electricity transmission & distribution losses (CO2e)	12.7	9.5
Municipal water and waste-water services (tCO2e)	0.9	0.8

Resource usage

MPB energy consumption total (kWh)		2025	2024
		kWh	kWh
Total energy consumption (in MPB buildings)		**1,282,132**	**1,026,163**
Electricity consumption total (kWh)		**676,143**	**256,265**
	Brighton	162,317	119,835
	Berlin	33,251	57,625
	Brooklyn	480,575	352,982
Natural gas consumption total (kWh)		**605,989**	**495,721**
	Brighton	55,989	140,193
	Brighton	92%	93%
	Berlin	67%	56%
	Brooklyn	60%	60%
% of total tonnage recovered for energy		30%	30%
	Brighton	5.5%	6%
	Berlin	32.9%	38%
	Brooklyn	40%	40%
	% of total tonnage composted	0.6%	1.00%

2025 Data notes

1. **Data is for MPB activity** undertaken in or from Brighton, UK; Berlin, Germany and Brooklyn, USA.
2. **Greenhouse gas (GHG) emissions** calculated in line with the Greenhouse Gas Protocol and quantifying all six GHGs in terms of carbon dioxide equivalence (CO2eq); using BEIS emission factors 2024. Where available US EPA and Germany AIB factors are also used.
3. **Energy and water consumption** is for Leased properties, 2024 data is a mix of Landlord meters and direct meters.
4. **Data on Materials** collected and recycled/ re-processed in 2024 provided by Recycling business partners in Brighton and Berlin, and estimated for Brooklyn.
5. **CO2e data for Courier services:** uses data provided by DPD UK, DHL Europe and FedEx US. For 2024 all three provided both Tank to Wheel and Well to Wheel data.
6. **CO2e data for third party data centres:** 2024 data provided by Google Cloud (Scope 1&2 fuels & electricity).
7. **Digital advertising-paid media emissions** modelled using Scope3's advertising supply chain carbon tools.
8. **CO2e data for Staff commuting** is based on MPB staff survey in March 2023, response rate 55% extrapolated to 100% of workforce at March 2025.

9. **CO2e intensity metrics used:** Annual turnover (consolidated revenue in GBP millions) and annual customers (per 000,000 unique buyers and sellers). Data used: Consolidated revenue FY25 £199.3m; FY24 £173 million; FY23 £137 million; Customers (000,000) FY25 383.5; FY24 337.3; FY23 264.4.
10. The data is collected on a calendar year basis and therefore the FY25 reporting uses calendar year 2024 data and the FY24 reporting uses calendar year 2023 data.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Group Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards and FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent Company will continue in business.

The directors are responsible for safeguarding the assets of the Group and parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and parent Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the parent Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group's and parent Company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's and parent Company's auditors are aware of that information.

AUDITORS

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M P Barker - Director

Date: 20 November 2025

Independent auditors' report to the members of MPB Group Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- MPB Group Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2025 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Group Strategic Report, Directors' Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 31 March 2025; the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Group Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Group Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group Strategic report and Directors' Report for the year ended 31 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Group Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment legislation and other legislation specific to the industry in which the entity operates,, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as as tax regulations and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of revenue or expenses and management bias in determining accounting estimates.. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Review of minutes of board meetings.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Radek Vik (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

20 November 2025

Consolidated Financial Statements

MPB GROUP LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
CONTINUING OPERATIONS			
Revenue	5	**199,312,616**	**172,621,846**
Cost of sales		**(138,917,118)**	**(121,434,035)**
GROSS PROFIT		**60,395,498**	**51,187,811**
Other operating income		**589,456**	**127,052**
Distribution costs		**(15,976,291)**	(**14,823,138**)
Administrative expenses		**(50,466,487)**	(**43,039,285**)
OPERATING LOSS		**(5,457,824)**	(**6,547,560**)
Finance costs	7	**(2,162,521)**	(**1,641,756**)
Finance income	7	**20,795**	**23,538**
LOSS BEFORE INCOME TAX	8	**(7,599,550)**	(**8,165,778**)
Income tax	10	**458,671**	**(180,522)**
LOSS FOR THE YEAR		**(7,140,879)**	**(8,346,300)**
OTHER COMPREHENSIVE INCOME			
Item that may be reclassified subsequently to profit or loss:			
Exchange gain on translating foreign operations		**873,260**	363,951
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		**873,260**	363,951
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(6,267,619)**	(7,982,349)

MPB GROUP LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	12	**7,519,370**	5,111,128
Property, plant and equipment	13	**13,291,538**	15,488,526
Deposits	17	**249,195**	247,632
Deferred tax asset	22	**2,162,391**	2,828,254
		23,222,494	23,675,540
CURRENT ASSETS			
Inventories	15	**22,392,734**	19,668,564
Trade and other receivables	17	**3,582,332**	4,018,656
Tax receivable		**-**	789,419
Cash and cash equivalents	18	**7,832,426**	7,252,704
Deferred tax asset	22	**-**	13,888
		33,807,492	31,743,231
TOTAL ASSETS		**57,029,986**	55,418,771
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	19	**303**	303
Share premium	20	**48,102,556**	48,102,556
Foreign exchange reserve	20	**(142,330)**	(42,305)
Share based payment reserve	20	**7,182,914**	5,619,885
Accumulated losses	20	**(35,960,253)**	(29,792,659)
TOTAL EQUITY		**19,183,190**	23,887,780
LIABILITIES			
NON-CURRENT LIABILITIES			
Long-term borrowings	23	**-**	7,000,000
Lease liabilities	24	**13,188,174**	14,928,341
Deferred tax liability	22	**-**	687,677
		13,188,174	22,616,018
CURRENT LIABILITIES			
Trade and other payables	21	**6,955,531**	7,255,841
Short-term borrowings	23	**16,000,000**	-
Tax payable		**2,942**	-
Lease liabilities	24	**1,467,999**	1,358,670
Provisions	25	**232,150**	300,462
		24,658,622	8,914,973
TOTAL LIABILITIES		**37,846,796**	31,530,991
TOTAL EQUITY AND LIABILITIES		**57,029,986**	55,418,771

The financial statements on pages 32 to 74 were approved by the Board of Directors on 20 November 2025 and were signed on its behalf by:

M P Barker - Director

MPB GROUP LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	12	**7,519,369**	5,111,128
Property, plant and equipment	13	**315,037**	434,178
Investments	14	**25,883,058**	25,883,058
Trade and other receivables	17	**28,068,286**	21,462,120
Deferred tax asset	22	**-**	157,948
		61,785,750	53,048,432
CURRENT ASSETS			
Trade and other receivables	17	**1,065,902**	707,954
Tax receivable		**-**	789,453
Cash and cash equivalents	18	**259,309**	121,202
Deferred tax asset	22	**-**	12,335
		1,325,211	1,630,944
TOTAL ASSETS		**63,110,961**	54,679,376
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	19	**303**	303
Share premium	20	**48,102,556**	48,102,556
Share based payment reserve	20	**5,772,761**	3,475,744
Accumulated losses	20	**(10,743,499)**	(7,384,142)
TOTAL EQUITY		**43,132,121**	44,194,461
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	21	**2,087,890**	1,336,406
Long-term borrowings	23	**-**	7,000,000
Lease liabilities	24	**122,306**	221,071
Deferred tax liability	22	**-**	612,707
		2,210,196	9,170,184
CURRENT LIABILITIES			
Trade and other payables	21	**1,616,970**	1,221,556
Short-term borrowings	23	**16,000,000**	-
Tax payable		**2,909**	-
Lease liabilities	24	**98,765**	93,175
Provisions	25	**50,000**	-
		17,768,644	1,314,731
TOTAL LIABILITIES		**19,978,840**	10,484,915
TOTAL EQUITY AND LIABILITIES		**63,110,961**	54,679,376

The Company has taken advantage of Section 408 of the Companies Act 2006 in not presenting its own Statement of Comprehensive Income. The Company's loss for the year was £3,359,357 (2024: £3,099,181).

The financial statements on pages 32 to 74 were approved by the Board of Directors on 20 November 2025 and were signed on its behalf by:

MPB

M P Barker - Director

MPB GROUP LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital £	Accumulated losses £	Share premium £
Balance at 1 April 2023	288	(21,624,602)	38,208,920
Changes in equity			
Loss for the year	-	(8,346,300)	-
Issue of share capital at a premium	15	-	10,000,036
Transaction costs of share issue	-	-	(106,400)
Exchange differences on translating foreign operations	-	(38,319)	-
Tax adjustment in respect of prior years	-	216,562	-
Balance at 31 March 2024	303	(29,792,659)	48,102,556
Changes in equity			
Loss for the year	-	(7,140,879)	-
Exchange differences on translating foreign operations	-	973,285	-
Balance at 31 March 2025	303	(35,960,253)	48,102,556

	Foreign exchange reserve £	Share based payment reserve £	Total equity £
Balance at 1 April 2023	(444,575)	3,809,241	19,949,272
Changes in equity			
Loss for the year	-	-	(8,346,300)
Share-based payment	-	900,923	900,923
Issue of share capital at a premium	-	-	10,000,051
Transaction costs of share issue	-	-	(106,400)
Exchange differences on translating foreign operations	402,270	-	363,951
Deferred tax credited to equity	-	909,721	909,721
Tax adjustment in respect of prior years	-	-	216,562
Balance at 31 March 2024	(42,305)	5,619,885	23,887,780
Changes in equity			
Loss for the year	-	-	(7,140,879)
Share-based payment	-	2,297,017	2,297,017
Exchange differences on translating foreign operations	(100,025)	-	873,260
Deferred tax charged to equity	-	(733,988)	(733,988)
Balance at 31 March 2025	(142,330)	7,182,914	19,183,190

MPB GROUP LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Called up share capital £	Accumulated losses £	Share premium £	Share based payment reserve £	Total equity £
Balance at 1 April 2023	288	(4,284,961)	38,208,920	2,574,821	36,499,068
Changes in equity					
Loss for the year	-	(3,099,181)	-	-	(3,099,181)
Share-based payment	-	-	-	900,923	900,923
Issue of Share Capital at a premium	15	-	10,000,036	-	10,000,051
Transaction costs of share issue	-	-	(106,400)	-	(106,400)
Balance at 31 March 2024	303	(7,384,142)	48,102,556	3,475,744	44,194,461
Changes in equity					
Loss for the year	-	(3,359,357)	-	-	(3,359,357)
Share-based payment	-	-	-	2,297,017	2,297,017
Balance at 31 March 2025	303	(10,743,499)	48,102,556	5,772,761	43,132,121

MPB GROUP LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash used in operations	32	**(349,098)**	(5,278,212)
Interest Paid		**(1,007,636)**	(633,278)
Tax received/(paid)		**570,755**	(13,420)
Net cash used in operating activities		**(785,979)**	(5,924,910)
Cash flows from investing activities			
Purchase of intangible fixed assets		**(4,946,407)**	(3,821,493)
Purchase of tangible fixed assets		**(398,045)**	(783,602)
Interest received		**20,795**	23,538
Net cash used in investing activities		**(5,323,657)**	(4,581,557)
Cash flows from financing activities			
Issue of share capital at a premium		**-**	10,000,036
Transaction costs of share issue		**-**	(106,400)
Payment of obligations under finance leases		**(2,175,122)**	(2,005,273)
Repayment of other borrowings		**-**	-
Proceeds of new bank loans		**9,000,000**	-
Net cash generated from financing activities		**6,824,878**	7,888,363
Increase/(Decrease) in cash and cash equivalents		**715,242**	(2,618,104)
Cash and cash equivalents at beginning of year	18	**7,252,704**	9,969,377
Effect of foreign exchange rate changes		**(135,520)**	(98,569)
Cash and cash equivalents at end of year	18	**7,832,426**	7,252,704

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. COMPANY INFORMATION AND PRINCIPAL TRADING ACTIVITIES

The Group consists of MPB Group Limited (the "Company") and its three subsidiaries (together, the "Group"). The principal activity of the Company during the year under review was that of a holding company. The principal activity of the Group was the retail sale of cameras, lenses and associated digital accessories.

2. STATUTORY INFORMATION

MPB Group Limited is a private company limited by shares, registered, domiciled and incorporated in the United Kingdom. The company's registered number and registered office address can be found on the Company General Information page.

3. ACCOUNTING POLICIES

Basis of preparation
The consolidated financial statements of the Group have been prepared on a going concern basis and in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The parent company financial statements have been prepared on a going concern basis and in accordance with Financial Reporting Standard 101 (FRS101) ‘Reduced Disclosure Framework’ and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The prior year financial statements were prepared in accordance with the UK-adopted International Accounting Standards of which there are no differences on transition.

These financial statements comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes. The financial statements have been prepared under the historical cost convention.

Judgements made by the directors in the application of those accounting policies which have a significant effect on the financial statements and estimates with a substantial risk of material misstatement in the next financial year are disclosed in note 4.

The principal accounting policies have been consistently applied to the year presented, unless otherwise stated.

Disclosure Exemptions in Parent Company Financial Statements

In preparing the financial statements of the parent company, the Company has taken advantage of the following disclosure exemptions permitted under FRS 101. These exemptions have been adopted to reduce the volume of disclosures, on the basis that equivalent disclosures are included in the consolidated financial statements of the Group.

- IAS 1 Presentation of Financial Statements: Exemption from the additional comparative information requirement in paragraph 38 of IAS 1 to present comparative information in respect of:
  - A reconciliation of the number of shares outstanding at the start and end of the year
  - Reconciliations of the carrying amounts of property, plant and equipment and intangible assets
- IAS 7 Statement of Cash Flows: Full exemption from preparing a statement of cash flows as per paragraph 10(d) of IAS 1.
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Paragraphs 30 and 31: Exemption from providing disclosures on new and revised IFRSs that have been issued but are not yet effective
- IAS 24 Related Party Disclosures: Paragraph 17: Exemption from the requirement to disclose key management personnel compensation, and paragraphs 18A and 19: Exemption from disclosing related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

- IFRS 2 Share-Based Payment: Paragraphs 45(b) and 46-52: Exemption from detailed disclosures about the number and weighted average exercise prices of share options, as well as how the fair value of services received was determined.
- IFRS 7 Financial Instruments: Paragraphs 31-42: Exemption from detailed disclosures regarding the significance of financial instruments for the entity's financial position and performance, including market risk, credit risk, and liquidity risk disclosures. Paragraphs 44A-44F: Exemption from detailed disclosures about the nature and extent of risks arising from financial instruments. Paragraph B11: Exemption from disclosures related to the transferred financial assets and the associated risks.
- IFRS 15 Revenue from Contracts with Customers: Paragraphs 110-115: Exemption from detailed disclosures regarding the disaggregation of revenue, the opening and closing balances of contract assets and liabilities, and the transaction price allocated to the remaining performance obligations.
- IFRS 16 Leases: Paragraphs 53, 58, 89, 90, 91, and 97: Exemption from detailed disclosures about the maturity analysis of lease liabilities, the expense related to short-term and low-value leases, the total cash outflow for leases, and the gains or losses arising from sale and leaseback transactions.

Going concern
The financial statements have been prepared on a going concern basis. In making this assessment, the directors have prepared forecasts covering a period of at least 12 months from the date of approval of these financial statements. These forecasts incorporate a range of severe but plausible downside scenarios, including the potential impact of a significant economic downturn on trading performance, as well as the operational and financial implications of a major technological outage. The directors have considered the Group’s ability to respond to such events, including access to liquidity and available mitigating actions, in concluding that the going concern basis of preparation remains appropriate. The directors have confirmed their continuing support for the Company's subsidiaries: MPB Europe Limited, MPB US Inc. and MPB GmbH.

The forecasts indicate that given the cash balances available to the Group, even in the severe reverse stress test of projected revenues, the Company has sufficient funding and additional mitigating resources available to enable it to meet its forecasted operating expenditure for at least 12 months from the date of signing these financial statements. On this basis, the directors consider it appropriate to prepare these financial statements on a going concern basis.

Presentational and functional currency
The financial statements are presented in Sterling, which is also the functional currency of the Company. All amounts, unless otherwise stated, have been rounded to the nearest pound.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Basis of consolidation
The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings over which it has control. The Company is considered to have control over its subsidiaries where it has existing rights over them that give the Company the ability to direct their activities, rights to variable returns from its involvement with them and the ability to use its power over them to affect the amount of the Group's returns. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

New standards, amendments and interpretations
At the date of authorisation of these financial statements, certain new Standards, Amendments and Interpretations to existing Standards have been published but are not yet effective and have not been adopted early by the Company.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

The below Standards, Amendments and Interpretations to existing Standards have been adopted during the year or the prior two years.

- IFRS 17 Insurance Contracts (effective 1 January 2023, endorsed 16 May 2022)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (effective 1 January 2023, endorsed 21 July 2023)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (effective 1 January 2023, endorsed 3 March 2022)
- Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023, endorsed 12 August 2022)

The adoption of these standards has not had any impact on the financial statements.

Information on new Standards, Amendments and Interpretations that are expected to be relevant to the Company's financial statements in the future is provided below.

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (effective 1 January 2024, not yet endorsed)
- IFRS S2 Climate-related Disclosures (effective 1 January 2024, not yet endorsed)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date (effective 1 January 2024, not yet endorsed)
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback (effective 1 January 2024, not yet endorsed)
- Amendments to IAS 1 Non-current Liabilities with Covenants (effective 1 January 2024, not yet endorsed)

The directors are still in the process of assessing the impact of the adoption of these standards on the financial statements.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. Amounts collected on behalf of third parties are excluded.

Revenue comprises the sale of cameras, lenses and associated digital accessories and is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Revenue is recognised when control of the goods transfers to the customer, which is considered to occur upon delivery for consumer customers and upon dispatch for business or trade customers, in accordance with the Group’s terms and conditions.

Government Grants / R&D Tax Credits

The Group accounts for the Research and Development Expenditure Credit (RDEC) in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. RDEC is treated as a government grant related to income and is recognised in the income statement within other income.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

The related tax impact, arising from the credit being taxable, is recognised within current tax expense in the income statement. The net benefit, after the notional tax restriction, is reflected as a receivable in the balance sheet. RDEC is recognised when the Group has met the recognition criteria, which include:

- reasonable assurance that the conditions for entitlement have been or will be met;
- it is probable that the economic benefit will be received; and
- the amount can be measured reliably, even where the claim has not yet been submitted.

The receivable is presented within other receivables or tax receivables, depending on the status and nature of the claim.

Cash and cash equivalents
Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under ‘current liabilities’ on the Statement of Financial Position.

Investments
In the separate financial statements of the Company, interests in subsidiaries are initially measured at cost and subsequently at cost less any accumulated impairment losses. Interests in the subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised in profit or loss.

Intangible assets
Intangible assets are recognised at cost less any accumulated amortisation and impairment.

An intangible asset, which is an identifiable non-monetary asset without physical substance, is recognised to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably. The asset is deemed to be identifiable when it is separable or when it arises from contractual or other legal rights.

The Group's intangible assets consist of expenditure on patents and licences as well as capitalised development costs.

From 1 April 2023 MPB Group Limited changed its accounting estimate for amortising development costs capitalised from a useful economic life of three years to five years to adequately reflect the nature and components of the MPB platform to which these costs relate which have been determined to result in continued future benefit to the business for an increased length of time versus previous costs capitalised.

Property, plant and equipment
Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation is provided at the following annual rates in order to write off each asset on a straight line basis over its estimated useful economic life.

Land and buildings	-	over the life of the lease or useful life, whichever is shorter
Leasehold improvements	-	over the life of the lease or useful life, whichever is shorter
Office equipment	-	20% on cost
Fixtures and fittings	-	20% on cost
Computer equipment	-	20% on cost

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income when the asset is derecognised.

The residual values, useful economic lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Financial instruments
Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contracted rights to the cash flows from the financial asset expire or when the contracted rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

Financial assets
Cash and cash equivalents
Cash and cash equivalents comprise cash in hand, demand deposits held on call with banks, and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets
An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both.

The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

Impairment of trade receivables
For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the aging of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

Impairment of other receivables measured at amortised cost
The measurement of impairment losses depends on whether the financial asset is 'performing', underperforming' or 'non-performing’ based on the Group's assessment of increases in the credit risk of the financial asset since its initial recognition and any events that have occurred before the year-end which have a detrimental impact on cash flows. The financial asset moves from 'performing' to 'underperforming' when the increase in credit risk since initial recognition becomes significant.

In assessing whether credit risk has increased significantly, the Group compares the risk of default at the year-end with the risk of a default when the investment was originally recognised using reasonable and supportable past and forward-looking information that is available without undue cost. The risk of a default occurring takes into consideration default events that are possible within 12 months of the year-end ("the 12-month expected credit losses") for 'performing' financial assets, and all possible default events over the expected life of those receivables ("the lifetime expected credit losses") for 'underperforming' financial assets.

Impairment losses and any subsequent reversals of impairment losses; are adjusted against the carrying amount of the receivable and are recognised in profit or loss.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Trade, group and other payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less.

Trade, group and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

Borrowings
Interest-bearing loans are initially measured at fair value, net of direct transaction costs and are subsequently measured at amortised cost. Finance charges, including premiums payable on settlement or redemption, are recognised in profit or loss over the term of the loan using an effective rate of interest.

Equity
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at fair value on initial recognition net of transaction costs.

Derecognition of financial assets (including write-offs) and financial liabilities
A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party.

When there is no reasonable expectation of recovering a financial asset it is derecognised ('written off'). The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in profit or loss.

Inventories
Inventories are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items. Net realisable value is based on estimated selling price less further costs of disposal.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Research and development expenditure

This expenditure is recognised as an expense in the financial year in which it is incurred, except where all of the following conditions are satisfied, in which case the expenditure is capitalised:

- completion of the intangible asset is technically feasible so that it will be available for use or s
- the Group intends to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible ass itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

Leases

Initial and subsequent measurement of the right-of-use asset

A right-of-use asset is recognised at commencement of the lease and initially measured at the amount of the lease liability, plus any incremental costs of obtaining the lease and any lease payments made at or before the leased asset is available for use by the Group.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. The depreciation method applied is as follows:

Leased property - On a straight-line basis over the lease term

The right-of-use asset is adjusted for any re-measurement of the lease liability and lease modifications, as set out below.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

An estimate of costs to be incurred in restoring the leased asset to the condition required under the terms and conditions of the lease is recognised as part of the cost of the right-of-use asset.

The costs are incurred at the start of the lease or over the lease term. The provision is measured at the best estimate of the expenditure required to settle the obligation.

Initial measurement of the lease liability
The lease liability is initially measured at the present value of the lease payments during the lease term discounted using the interest rate implicit in the lease, or the incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined.

The lease term is the non-cancellable period of the lease plus extension periods that the Group is reasonably certain to exercise and termination periods that the Group is reasonably certain not to exercise.

Lease payments include fixed payments, less any lease incentives receivable, variable lease payments dependent on an index or a rate and any residual value guarantees. Variable lease payments are initially measured using the index or rate when the leased asset is available for use.

Termination penalties are included in the lease payments if the lease term has been adjusted because the Group reasonably expects to exercise an option to terminate the lease.

Subsequent measurement of the lease liability
The lease liability is subsequently increased for a constant periodic rate of interest on the remaining balance of the lease liability and reduced for lease payments. Interest on the lease liability is recognised in profit or loss.

Variable lease payments not included in the measurement of the lease liability as they are not dependent on an index or rate, are recognised in profit or loss in the period in which the event or condition that triggers those payments occurs.

Re-measurement of the lease liability
The lease liability is adjusted for changes arising from the original terms and conditions of the lease that change the lease term, the Group's assessment of its option to purchase the leased asset, the amount expected to be payable under a residual value guarantee and/or changes in lease payments due to a change in an index or rate. The adjustment to the lease liability is recognised when the change takes effect and is adjusted against the right-of-use asset, unless the carrying amount of the right-of-use asset is reduced to nil, when any further adjustment is recognised in profit or loss.

Adjustments to the lease payments arising from a change in the lease term or the lessee's assessment of its option to purchase the leased asset are discounted using a revised discount rate. The revised discount rate is calculated as the interest rate implicit in the lease for the remainder of the lease term, or if that rate cannot be readily determined, the lessee's incremental borrowing rate at the date of reassessment.

Changes to the amounts expected to be payable under a residual value guarantee and changes to lease payments due to a change in an index or rate are recognised when the change takes effect, and are discounted at the original discount rate unless the change is due to a change in floating interest rates, when the discount rate is revised to reflect the changes in interest rate.

Lease modifications
A lease modification is a change that was not part of the original terms and conditions of the lease and is accounted for as a separate lease if it increases the scope of the lease by adding the right to use one or more additional assets with a commensurate adjustment to the payments under the lease.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

3. ACCOUNTING POLICIES - continued

For a lease modification not accounted for as a separate lease, the lease liability is adjusted for the revised lease payments, discounted using a revised discount rate. The revised discount rate used is the interest rate implicit in the lease for the remainder of the lease term, or if that rate cannot be readily determined, the lessee Group's incremental borrowing rate at the date of the modification.

Where the lease modification decreases the scope of the lease, the carrying amount of the right-of-use asset is reduced to reflect the partial or full termination of the lease. Any difference between the adjustment to the lease liability and the adjustment to the right-of-use asset is recognised in profit or loss.

Share options issued to employees
Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

All equity-settled share-based payments are ultimately recognised as an expense in the Statement of Comprehensive Income with a corresponding credit to the share-based payment reserve.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current financial year. No adjustment is made to any expense recognised in prior financial years if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital and, where appropriate, share premium.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future financial years. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

Judgements
<u>Capitalisation of development costs</u>
Internally generated intangible assets are capitalised where there is an expectation of future economic benefit. Management uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of evidence available at the time of recognition.

Estimates
<u>Fair value of share-based payments</u>
Management uses valuation techniques in measuring the fair value of share-based payments. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instruments. Where applicable data is not observable, management uses its best estimates about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4. ACCOUNTING ESTIMATES AND JUDGEMENTS - continued

Useful lives of capitalised development costs
Capitalised development costs are amortised over their useful lives. Useful lives are based on management's estimates of the periods that the assets will generate revenues, which are periodically reviewed for continued appropriateness. Changes to estimates can result in variations in the carrying values and amounts charged to the Statement of Comprehensive Income in specific periods.

Impairment of investments
Non-financial assets, including investments, are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on a calculation of expected future cash flows which include management assumptions and estimates of future performance.

5. REVENUE

Revenue from contracts with customers

	2025	2024
	£	£
Revenue	**199,312,616**	172,621,846

No impairment losses have been recognised on receivables arising from the Group's sale of goods for the current or previous year.

Disaggregation of revenue
Revenue recognised from sales of goods is disaggregated into relevant categories as follows:

	2025	2024
Revenue by class of business	**£**	£
Used products	**198,782,295**	172,429,602
New products	**3,056**	3,468
Commission on sales	**527,265**	188,776
	199,312,616	172,621,846

	2025	2024
Revenue by geographical market	**£**	£
United Kingdom	**54,418,975**	55,996,558
Europe	**69,708,021**	55,165,997
Rest of the World	**75,185,620**	61,459,291
	199,312,616	172,621,846

Timing of transfer

	2025	2024
	£	£
Goods transferred at a point in time	**198,785,351**	172,433,070
Goods transferred over time	**527,265**	188,776
	199,312,616	172,621,846

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. REVENUE - continued

COST OF SALES

Group	2025	2024
	£	£
Equipment purchases	**138,917,118**	172,621,846

6. STAFF AND DIRECTORS

Wages and salaries
Staff costs (including directors costs) are set out below:

Group	**2025**	2024
	£	£
Wages and salaries	**24,158,702**	21,087,289
Social security costs	**2,751,289**	2,365,904
Other pension costs	**259,335**	239,402
Share-based payment charge	**2,297,017**	900,923
	29,466,343	24,593,518
Less: Amounts capitalised in development costs	**(4,946,407)**	(3,821,493)
	24,519,936	20,772,025

Company	**2025**	2024
	£	£
Wages and salaries	**10,841,147**	8,789,279
Social security costs	**1,279,329**	1,052,522
Other pension costs	**352,276**	321,651
Share-based payment charge	**2,297,017**	900,923
	14,769,768	11,064,375
Less: Amounts capitalised in development costs	**(4,946,407)**	(3,821,493)
	9,823,361	7,242,882

Average employee numbers
The average monthly number of employees, including directors, during the year was as follows:

Group	**2025**	2024
	Number	Number
Directors	**5**	5
Developers	**65**	53
Direct staff	**186**	184
Non-direct staff	**237**	202
	493	444

Company	**2025**	2024
	Number	Number
Directors	**5**	5
Developers	**56**	53
Non-direct staff	**88**	76
	149	134

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. STAFF AND DIRECTORS - continued

Directors' remuneration
Directors' remuneration is set out below:

	2025	2024
	£	£
Directors' remuneration	1,557,701	842,315
Directors' pension costs	15,200	13,600
	1,572,901	855,915

The increase in directors' remuneration compared to the prior year primarily reflects the share-based payment charge recognised in respect of director share option awards during the year. The number of directors remained unchanged.

During the year, 2 directors (2024: 2) accrued retirement benefits under defined contribution pension schemes and NIL directors (2024: NIL) exercised share options.

In addition to the above, director fees were paid to Gresham House Asset Management Ltd and Beringea LLP during the year, further details of which are provided in note 28.

Highest paid director
Information regarding the highest paid director is as follows:

	2025	2024
	£	£
Remuneration	**275,000**	271,250

Key management personnel
Compensation of key management personnel is set out below:

	2025	2024
	£	£
Wages, salaries and short-term benefits	**3,436,204**	2,089,818

7. NET FINANCE COSTS

	2025	2024
	£	£
Bank interest	**20,795**	23,538
Finance income	**20,795**	23,538
Bank loan interest	**(1,185,868)**	(631,137)
Interest on lease liabilities	**(976,653)**	(1,010,619)
Finance costs	**(2,162,521)**	(1,641,756)
Finance expense (net)	**(2,141,726)**	(1,618,218)

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. LOSS BEFORE INCOME TAX

The breakdown by nature of cost of sales, distribution costs and other administrative expenses is as follows:

Group	2025	2024
	£	£
Foreign exchange losses	1,020,995	194,197
Amortisation of development costs	2,538,167	2,082,043
Depreciation of property, plant and equipment		
- Owned assets	609,326	634,287
- Right-of-use assets	1,706,153	1,751,913
Staff costs (note 6)	24,519,936	16,950,531
Cost of sales (note 5)	138,917,118	121,434,035
Distribution costs (excluding staff costs)	9,273,666	8,703,994
Other administrative expenses	26,774,535	27,545,458
	205,359,896	179,296,458

9. AUDITORS' REMUNERATION

	2025	2024
	£	£
Fees payable to the company's auditor for the audit of the annual accounts	188,150	190,934
Fees payable to the company's auditor and its associates for other services:		
Audit of the accounts of subsidiaries	29,461	34,629
Tax compliance services	57,505	54,765
	275,116	280,328

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

10. INCOME TAX

Analysis of (credit)/charge in the year

	2025	2024
Corporation tax	**£**	£
Current tax on gains/(losses) for the year	**45,061**	(221,607)
Adjustments in respect of prior financial years	**221,607**	231,108
Foreign tax suffered	**16,609**	11,856
Other / roundings	**(34)**	(4)
Total current tax charge/(credit) for the year	**283,243**	21,353
Deferred tax		
Current year	**(190,608)**	169,572
Adjustment in respect of previous financial years	**(551,306)**	(10,405)
Other	**-**	2
Deferred tax (credit)/charge	**(741,914)**	159,169
Total tax (credit)/charge for the year	**(458,671)**	180,522

The Group recognised R&D tax credits of £237,164 (2024: £nil) under the UK RDEC scheme. These are presented in other income. As the credit is taxable, the associated tax of £45,061 (2024: £nil) is included within current tax expense.

The tax assessed for the financial year is different to the standard rate of corporation tax in the UK. The difference is explained below:

	2025	2024
	£	£
Loss on ordinary activities before taxation	**(7,599,550)**	(8,165,778)
Loss on ordinary activities before taxation multiplied by the standard rate of 25% (2024: 25%)	**(1,899,888)**	(2,041,264)
Effect of:		
Expenses not deductible for tax purposes	**313,001**	246,672
Income not taxable	**-**	(31,438)
Adjustments in respect of prior financial years - current tax	**221,573**	231,108
Adjustments in respect of prior financial years - deferred tax	**(551,306)**	(10,405)
Enhanced R&D tax deduction	**-**	76,252
Exempt items	**-**	154,263
Unrecognised deferred tax asset	**1,266,513**	1,497,805
Share options	**191,436**	57,531
Roundings	**-**	(2)
Total tax (credit)/charge for the year	**(458,671)**	180,522

Tax losses
At the Statement of Financial Position date, the Group had an unrecognised deferred tax asset in respect of tax losses carried forward in the US and German subsidiaries which were not recognised on the grounds of uncertainty of future recovery. The group's tax losses are approximately £25,210,529 (2024: £20,210,914). The US losses amount to approximately £14,492,402 at 31 March 2025 (2024: £12,101,313). The German losses amount to approximately £10,718,127 (2024: £8,109,601).

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

10. INCOME TAX - continued

These tax losses give rise to potential deferred tax assets which have not been recognised in the consolidated financial statements due to uncertainty over the availability of future taxable profits against which the losses can be utilised. Accordingly, the Group has concluded that it is not probable that taxable profits will be available to recover these deferred tax assets, in accordance with IAS 12.82.

Share-based payments
At the Statement of Financial Position date, the parent company had deductible temporary differences, including those arising from share-based payment charges, which give rise to a potential deferred tax asset of approximately £2.144,140 (2024: £2,623,733).

The parent company recognises deferred tax assets up to the extent that deferred liabilities exist where there is a legally enforceable right to offset. This results in partial recognition of the deferred tax asset in the parent company financial statements.

The unrecognised portion of the deferred tax asset reflects the element of deductible temporary differences for which there is uncertainty over the availability of future taxable profits against which they can be utilised. Accordingly, the parent company has concluded that it is not probable that sufficient taxable profits will be available to recover the remaining deferred tax assets, in accordance with IAS 12.82.

A deferred tax asset has been recognised in the consolidated financial statements in respect of temporary differences arising from share-based payment charges in the current and prior years, where recovery is considered probable based on future projected probability.

Factors that may affect future tax charges
The OECD's Pillar Two framework introduces a global minimum tax of 15% for large multinational enterprise (MNE) groups with consolidated revenues of €750 million or more. In response, the IASB amended IAS 12 Income Taxes to require specific disclosures for entities potentially affected by these rules, regardless of whether they are currently in scope.

The Group has assessed its position under the Pillar Two model rules and confirms the following:

- For the financial year ended 31 March 2025, although the Group operates in jurisdictions where such legislation has been enacted the Group's consolidated revenue is below the €750 million threshold set out in the OECD framework.

- As a result, the Group is not within the scope of the Pillar Two global minimum tax regime for the current or foreseeable financial years.

Temporary exception applied
In line with the amendments to IAS 12, the Group has applied the temporary exception from recognising and disclosing deferred tax assets and liabilities related to top-up taxes that may arise from Pillar Two legislation.

The Group will continue to monitor developments in the implementation of the Pillar Two rules in jurisdictions where it operates and will assess future applicability as required.

11. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income/income statement of the parent company is not presented as part of these financial statements.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. INTANGIBLE ASSETS

Group	Patents and Licences	Capitalised Development	Totals
	£	£	£
Cost			
At 1 April 2024	**960**	**10,515,256**	**10,516,216**
Additions		**4,946,409**	**£4,946,409**
At 31 March 2025	**960**	**15,461,665**	**15,462,625**
ACCUMULATED AMORTISATION			
At 1 April 2024	**960**	**5,404,280**	**5,405,088**
Amortisation for year	**-**	**2,538,167**	**2,538,167**
At 31 March 2025	**960**	**7,942,295**	**7,943,255**
NET BOOK VALUE			
At 31 March 2025		**7,519,370**	**7,519,370**

Group	Patents and Licences	Capitalised Development	Totals
	£	£	£
Cost			
At 1 April 2023	960	6,693,763	6,694,723
Additions	-	3,821,493	3,821,493
At 31 March 2024	960	10,515,256	10,516,216
ACCUMULATED AMORTISATION			
At 1 April 2023	960	3,322,085	3,323,045
Amortisation for year	-	2,082,043	2,082,043
At 31 March 2024	960	5,404,128	5,405,088
NET BOOK VALUE			
At 31 March 2024	-	5,111,128	5,111,128

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

12. INTANGIBLE ASSETS - continued

Capitalised development costs relate to costs in respect of the Group's internally generated software, which is the Group's online trading platform and website www.mpb.com.

Amortisation costs are included in administrative expenses in the Statement of Comprehensive Income.

From 1 April 2023 MPB Group Limited changed its accounting estimate for amortising development costs capitalised from a useful economic life of 3 years to 5 years. Management takes the view that this estimate provides more reliable and up to date information as it accurately reflects the components of the MPB Platform to which these costs relate, which are deemed to generate future cash inflow to the business for a more sustained period of time. The estimate has been applied prospectively from 1 April 2023.

Company	Capitalised Development
	£
NET BOOK VALUE	
At 31 March 2025	7,519,369
At 31 March 2024	5,111,128

	Capitalised Development
	£
NET BOOK VALUE	
At 31 March 2024	5,111,128
At 31 March 2024	3,371,678

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. PROPERTY, PLANT AND EQUIPMENT

Group	Right of Use Assets	Leasehold Improvements	Fixtures & Fittings
	£	£	£
COST			
At 1 April 2024	18,021,445	1,534,432	770,579
Additions	-	215,565	26,261
Disposals	-	-	-673
Modifications	40,476	-	-
Exchange Differences	(352,259)	(22,666)	(11,817)
At 31 March 2025	17,709,662	1,727,331	784,350
ACCUMULATED DEPRECIATION			
At 1 April 2024	4,637,345	450,257	292,692
Depreciation for year	1,706,153	152,951	117,962
Eliminated on disposal	-	-	-
Exchange Differences	(71,970)	(1,741)	(4,301)
At 31 March 2025	6,271,528	601,467	406,353
NET BOOK VALUE			
At 31 March 2025	11,438,134	1,125,865	377,997

	Office Equipment	Computer Equipment	Totals
	£	£	£
COST			
At 1 April 2024	878,093	564,779	21,769,328
Additions	86,204	70,014	398,044
Disposals	(1,530)	-	(2,203)
Modifications	-	-	40,476
Exchange Differences	(13,127)	(8,474)	(408,342)
At 31 March 2025	949,641	626,319	21,797,303
ACCUMULATED DEPRECIATION			
At 1 April 2024	512,046	388,462	6,280,802
Depreciation for year	230,813	107,600	2,315,479
Eliminated on disposal	(78)	-	(78)
Exchange Differences	(7,548)	(4,878)	(90,438)
At 31 March 2025	735,233	491,185	8,505,765
NET BOOK VALUE			
At 31 March 2025	214,408	135,134	13,291,538

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. PROPERTY, PLANT AND EQUIPMENT - continued

Group	Right of Use Assets	Leasehold Improvements	Fixtures & Fittings
	£	£	£
COST			
At 1 April 2023	20,571,646	1,300,369	628,052
Additions	-	254,731	152,060
Disposals	(4,143,289)	(2,093)	(1,045)
Modifications	1,125,020	-	-
Exchange Differences	468,068	(18,575)	(8,488)
At 31 March 2024	18,021,445	1,534,432	770,579
ACCUMULATED DEPRECIATION			
At 1 April 2023	4,663,964	330,097	176,547
Depreciation for year	1,751,913	123,530	119,643
Eliminated on disposal	(1,946,665)	(2,093)	(1,045)
Modifications	396,258	-	-
Exchange Differences	(228,125)	(1,277)	(2,453)
At 31 March 2024	4,637,345	450,257	292,692
NET BOOK VALUE			
At 31 March 2024	13,384,100	1,084,177	477,887

	Office Equipment	Computer Equipment	Totals
	£	£	£
COST			
At 1 April 2023	653,961	452,205	23,606,233
Additions	254,161	122,648	783,600
Disposals	(21,009)	(4,584)	(4,172,020)
Modifications	-	-	1,125,020
Exchange Differences	(9,020)	(5,490)	426,495
At 31 March 2024	878,093	564,779	21,769,328
ACCUMULATED DEPRECIATION			
At 1 April 2023	282,520	258,573	5,711,701
Depreciation for year	254,066	137,048	2,386,200
Eliminated on disposal	(21,009)	(4,584)	(1,975,396)
Modifications	-	-	396,258
Exchange Differences	(3,531)	(2,575)	(237,961)
At 31 March 2024	512,046	388,462	6,280,802
NET BOOK VALUE			
At 31 March 2024	366,047	176,317	15,488,526

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

13. PROPERTY, PLANT AND EQUIPMENT - continued

Company	Right of Use Assets	Leasehold Improvements	Fixtures & Fittings
	£	£	£
NET BOOK VALUE			
At 31 March 2025	196,806	11,309	105,348
At 31 March 2024	287,640	13,049	121,530

	Office Equipment	Computer Equipment	Totals
	£	£	£
NET BOOK VALUE			
At 31 March 2025	320	1,253	315,037
At 31 March 2024	2,240	9,719	434,178

Company	Right of Use Assets	Leasehold Improvements	Fixtures & Fittings
	£	£	£
NET BOOK VALUE			
At 31 March 2024	287,640	13,049	121,530
At 31 March 2023	378,474	14,788	137,712

	Office Equipment	Computer Equipment	Totals
	£	£	£
NET BOOK VALUE			
At 31 March 2024	2,240	9,719	434,178
At 31 March 2023	4,160	25,823	560,957

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

14. INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2024	**25,883,058**
Additions	**-**
At 31 March 2025	**25,883,058**
NET BOOK VALUE	
At 31 March 2025	**25,883,058**
At 31 March 2024	25,883,058

	Shares in group undertakings £
COST	
At 1 April 2023	25,883,058
Additions	-
At 31 March 2024	25,883,058
NET BOOK VALUE	
At 31 March 2024	25,883,058
At 31 March 2023	25,883,058

Fixed asset investments relate to the Company's wholly owned subsidiary companies, which are as follows:

The principal activity of all subsidiaries is that of building and operating online platforms for the buying, selling and trading of photography and videography equipment.

MPB Europe Limited
Registered office: 64 Ship Street, Brighton, East Sussex, BN1 1AE
Country of incorporation: United Kingdom
Class of shares held: Ordinary shares 100% directly owned

MPB Europe Limited (company number 06510353) is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A.

MPB US Inc.
Registered office: 2711 Centerville Road, Suite 400, Wilmington, Delaware, DE 19808
Country of incorporation: United States of America
Class of shares held: Ordinary shares 100% directly owned

MPB GmbH
Registered office: Bülowstraße 56/57, 10783, Berlin
Country of incorporation: Germany
Class of shares held: Ordinary shares 100% directly owned

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

15. INVENTORIES

	Group	
	2025	2024
	£	£
Inventories	**22,392,734**	19,668,564

During the year ended 31 March 2025, £138,917,118 (2024: £121,434,035) of inventories were included in the Statement of Comprehensive Income as cost of sales. Provisions of £182,150 (2024: £150,462) were made against inventories in the current year to take into account inventory returned after the reporting date which was sold in the financial year.

The Company did not have any inventories in the current or prior year.

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost
The principal financial assets of the Group are bank balances and other receivables. The Group's principal financial liabilities are trade and other payables as well as bank and other loans and bank overdrafts. The main purpose of these financial instruments is to generate sufficient working capital for the Group to continue its operations.

Credit risk
The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the Statement of Financial Position date, as summarised below. Management considers that the Group is exposed to very little credit risk as other receivables relate mainly to deposits and similar receivables. The credit risk on cash balances is limited because the third parties are banks with high credit ratings assigned by international credit rating agencies.

The fair value of assets and liabilities are deemed to be materially equivalent to their carrying amount and therefore these have not been disclosed separately.

Group

Financial assets measured at amortised cost	**Note**	**2025**	2024
		£	£
Trade and other receivables	17	**2,032,560**	1,992,490
Cash at bank and in hand	18	**7,832,426**	7,252,704
Deposits		**249,195**	247,632
		10,114,181	9,492,826

Company

Financial assets measured at amortised cost	**Note**	**2025**	2024
		£	£
Intercompany receivables	17	**28,068,286**	21,462,120
Trade and other receivables	17	**481,957**	230,091
Cash at bank and in hand	18	**259,309**	121,202
		28,809,552	21,813,413

Liquidity risk
The Group's funding strategy is to generate sufficient working capital to settle liabilities as they fall due and to ensure funding is in place to support the Group's long-term growth plans. In addition to internally generated working capital, the Group is using bank and other loans to ensure this strategy is met. Liquidity risk is managed through.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS - continued

Financial liabilities measured at amortised cost
The Group's financial liabilities have contractual maturities as follows:

Financial liabilities measured at amortised cost

	Note	£ Up to 1 year	£ After 1 year	£ Up to 1 year	£ After 1 year
Trade and other payables	21	2,174,148	-	3,189,993	-
Accruals	21	3,196,068	-	2,359,510	-
Lease liabilities	24	1,467,999	13,188,173	1,358,670	14,928,341
Loans	23	16,000,000	-	-	7,000,000
		22,838,215	13,188,173	6,908,173	21,928,341

The Company's financial liabilities have contractual maturities as follows:

Financial liabilities measured at amortised cost

	Note	£ Up to 1 year	£ After 1 year	£ Up to 1 year	£ After 1 year
Trade and other payables	21	668,653	-	565,637	-
Accruals	21	596,224	-	358,384	-
Lease liabilities	24	98,765	122,306	93,175	221,071
Loans	23	16,000,000	-	-	7,000,000
		17,363,642	122,306	1,017,196	7,221,071

The above contractual maturities reflect the payment obligations, which may differ from the carrying value of the liabilities at the Statement of Financial Position date.

Interest rate risk
The Group's interest rate risk arises primarily due to its bank borrowings, where the interest rate is variable and moves in line with any changes in the SONIA rate.

With respect to interest rate sensitivity based on observations of current market conditions, management are reasonably certain that plausible changes would not have a material impact on the Company's result, a 1% increase in interest rates would result in a decrease in the profit for the year of £160,000 (2024: £6,465) with a corresponding reduction in equity.

Capital management
The Group seeks to finance all operational working capital requirements from cash flows generated from operating activities and external borrowing facilities, where necessary.

Management’s objectives with respect to capital management is to ensure the Group’s ability to continue as a Going Concern in order to benefit stakeholders, ensure that sufficient working capital is available to settle liabilities as they fall due whilst making optimal use of resources.

On 5th November 2025, the Company entered into a new loan and guaranty agreement with HSBC Innovation Bank for the provision of an RCF Loan to to draw down up to the value of £20m, with the potential to increase to £25m and alongside this a Term Loan for £7.5m.This extension will support the capital requirements of the continued growth of the business.

At 31 March 2025, the Group’s previous revolving credit facility remained in place, of which £16,000,000 had been utilised (2024: £7,000,000). This facility was settled in full subsequent to the year end following completion of the new agreement with HSBC Innovation Bank. Under the new facility, the Group is required to meet a gross profit level based on a trailing 12 month basis, based on year on year growth, an adjusted EBITDA level defined by HSBC on a trailing 6 months against fixed amounts, assessed quarterly and a minimum liquidity level defined by HSBC to be maintained at all times. These covenants represent key capital management metrics monitored by management on an ongoing basis.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Current:				
Trade and other receivables	**2,032,560**	1,992,490	**481,957**	230,091
Prepayments	**1,549,772**	2,026,166	**583,945**	477,863
	3,582,332	4,018,656	**1,065,902**	**707,954**

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Non-current:				
Amounts owed by group undertakings	**-**	-	**28,068,286**	21,462,120
Deposits	**249,195**	247,632	**-**	-
	249,195	247,632	**28,068,286**	21,462,120
Aggregate amounts	**3,831,527**	4,266,288	**29,134,188**	22,170,074

Group
Included within trade and other receivables is an amount of £nil (2024: £nil) due from directors. Further details are provided in note 28. No impairment losses have been recognised on receivables for the current or previous year.

Trade receivables are generally paid at the point of invoicing and credit risk is considered extremely low; accordingly, any impairment provision is considered to be immaterial.

All trade receivables are due in less than 30 days and no amounts are overdue or impaired.

Company
The amounts owed by group undertakings due in more than one year are repayable on 31 March 2028 and bear interest charged at SONIA + 4% for MPB Europe Limited & MPB GmbH and SONIA + 2.5% for MPB US Inc.

Included within amounts owed to group undertakings is a loan of £nil (2024: £nil) owed by MPB Europe Limited, £10,739,630 (2024: £7,980,451) owed by MPB US Inc of which £748,138 relates to accrued interest, and £17,328,655 (2024: £13,481,669) owed by MPB GmbH of which £1,444,571 relates to accrued interest.

Group balances shown as receivables for the parent Company are due from subsidiaries under the terms of formal loan agreements. At 31 March 2025, there had been no deterioration in the credit risk of the subsidiaries and management has, therefore, considered the 12 month expected credit loss. The resulting impairment is not considered material and, accordingly, no impairment provision is made.

R&D Tax Credit Receivable
As at 31 March 2025, the Group has recognised a receivable of £192,103 (2024: £nil) in respect of a Research and Development Expenditure Credit (RDEC) claim under the UK tax regime. The receivable reflects the estimated net cash benefit expected after applying the notional tax restriction under Step 2 of the RDEC calculation. The credit relates to qualifying R&D activity undertaken in the year. Although the claim has not yet been submitted, management has concluded that it is probable that the amount will be received, based on historical success with similar claims. The receivable is presented as a current asset within other receivables.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

18. CASH AND CASH EQUIVALENTS

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following at 31 March:

Group	2025	2024
	£	£
Cash at bank and in hand	7,832,426	7,252,704
	7,832,426	7,252,704

Company	2025	2024
	£	£
Cash at bank and in hand	259,309	121,202

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal Value:	2025 £	2024 £
1,066,562	Ordinary	0.0001£	107	107
343,196	'A' Ordinary	0.0001£	34	34
379,049	'B' Ordinary	0.0001£	38	38
39,829	'B1' Ordinary	0.0001£	4	4
519,955	'C' Ordinary	0.0001£	52	52
533,821	'D' Ordinary	0.0001£	53	53
147,059	'D1' Ordinary	0.0001£	15	15
			303	303

The Ordinary shares have attached to them (a) Full voting rights; (b) Rights to participate in dividends on a pro rata basis; (c) Rights to participate in a capital distribution (including winding up) subject to all other share classes; and (d) No redemption rights.

The 'A' Ordinary shares have attached to them (a) Full voting rights; (b) Rights to participate in dividends on a pro rata basis; (c) Rights to participate in a capital distribution (including winding up) in priority to the Ordinary shares; and (d) No redemption rights.

The 'B' Ordinary shares and 'B1' Ordinary shares have attached to them (a) Full voting rights; (b) Rights to participate in dividends on a pro rata basis; (c) Rights to participate in a capital distribution (including winding up) in priority to the 'A' Ordinary and Ordinary shares; and (d) No redemption rights.

The 'C' Ordinary shares have attached to them (a) Full voting rights; (b) Rights to participate in dividends on a pro rata basis; (c) Priority rights to participate in a capital distribution (including winding up) in priority to the 'A' Ordinary, Ordinary shares 'B' Ordinary and 'B1' Ordinary; and (d) No redemption rights.

The 'D' Ordinary shares have attached to them (a) Full voting rights; (b) Rights to participate in dividends on a pro rata basis; (c) Priority rights to participate in a capital distribution (including winding up) in priority of all other share classes; and (d) No redemption rights.

The 'D1' Ordinary shares have attached to them (a) Full voting rights; (b) Rights to participate in dividends on a pro rata basis; (c) Priority rights to participate in a capital distribution (including winding up) in priority of all other share classes; and (d) No redemption rights.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. RESERVES

Group

	Accumulated losses £	Share premium £	Foreign exchange reserve £	Share based payment reserve £	Totals £
At 1 April 2023	(21,624,602)	38,208,920	(444,575)	3,809,241	19,948,984
Loss for the year	(8,346,300)	-	-	-	(8,346,300)
Share-based payment (net of deferred tax)	-	-	-	900,923	900,923
Issue of Share Premium	-	10,000,036	-	-	10,000,036
Less transaction costs	-	(106,400)	-	-	(106,400)
Exchange differences	(38,319)	-	402,270	-	363,951
Deferred tax charged to equity	-	-	-	909,721	909,721
Tax adjustment in respect of prior years	216,562	-	-	-	216,562
At 31 March 2024	(29,792,659)	48,102,556	(42,305)	5,619,885	23,887,477
Loss for the year	(7,140,879)	-	-	-	(7,140,879)
Share-based payment (net of deferred tax)	-	-	-	2,297,017	2,297,017
Exchange differences	973,285	-	(100,025)	-	873,260
Deferred tax credited to equity	-	-	-	(733,988)	(733,988)
At 31 March 2025	(35,960,253)	48,102,556	(142,330)	7,182,914	19,182,887

Company

	Accumulated losses £	Share premium £	Share based payment reserve £	Totals £
At 1 April 2023	(4,284,961)	38,208,920	2,574,821	36,498,780
Loss for the year	(3,099,181)	-	-	(3,099,181)
Share-based payment (net of deferred tax)	-	-	900,923	900,923
Issue of Share Premium		10,000,036	-	10,000,036
Less transaction costs	-	(106,400)	-	(106,400)
At 31 March 2024	(7,384,142)	48,102,556	3,475,744	44,194,158
Loss for the year	(3,359,357)	-	-	(3,359,357)
Share-based payment (net of deferred tax)	-	-	2,297,017	2,297,017
At 31 March 2025	(10,743,499)	48,102,556	5,772,761	43,131,818

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. TRADE AND OTHER PAYABLES

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Current:				
Trade payables	**1,608,013**	2,732,654	**581,354**	474,234
Other tax and social security	**1,585,316**	1,706,338	**352,094**	297,535
Other payables	**475,122**	357,943	**10,448**	6,732
Pension payable	**91,012**	99,396	**76,850**	84,671
Accruals	**3,196,06**	2,359,510	**596,224**	358,384
	6,955,531	7,255,841	**1,616,970**	1,221,556
Non-current:				
Amounts owed to group undertakings	**-**	-	**2,087,890**	1,336,406
	-	-	**2,087,890**	1,336,406
Aggregate amounts	**6,955,531**	7,255,841	**3,704,860**	2,557,962

Further analysis of the terms and maturity dates for financial liabilities are set out in note 16.

The amounts owed to group undertakings due in more than one year are repayable on 31 March 2028 and bear interest charged at SONIA + 4% for MPB Europe Limited & MPB GmbH and SONIA + 2.5% for MPB US Inc.

Included within amounts owed to group undertakings is a loan of £2,087,890 (2024: £1,336,406) owed to MPB Europe Limited.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

22. DEFERRED TAX

The breakdown for movements in Deferred Tax (Assets) / Liabilities for the year are as follows:

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Balance at 1 April	(2,154,465)	(1,403,909)	442,424	325,188
Adjustment in respect of prior years	(551,306)	(10,405)	(552,809)	27,231
(Credited) / Charged to profit and loss	(190,608)	169,570	110,385	90,005
(Credited) / Charged to equity	733,988	(909,721)	-	-
Balance at 31 March	(2,162,391)	(2,154,465)	-	442,424

Comprising:

	Group		Company	
	2025	2024	**2025**	2024
	£	£	£	£
Deferred tax liability	711,722	687,677	656,335	612,707
Deferred tax asset	(2,874,113)	(2,842,142)	(656,335)	(170,283)
Balance at 31 March	(2,162,391)	(2,154,465)	-	442,424

Deferred tax relates to the following:

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Deferred tax liability				
Depreciation in excess of capital allowances	711,722	687,677	656,335	612,707
Deferred tax asset				
Tax losses carried forward	(527,513)	(157,948)	(527,513)	(157,948)
Share based compensation	(2,301,539)	(2,684,194)	(83,761)	(12,335)
R&D Expenditure Credit	(45,061)	-	(45,061)	-
	(2,162,391	(2,154,465)	-	442,424

Management has recognised a deferred tax asset of £2,162,391, supported by forecast taxable profits over the next five years, which indicate that it is probable the tax losses will be utilised.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

23. FINANCIAL LIABILITIES - BORROWINGS

	Group		Company	
	2025	2024	**2025**	2024
	£	£	**£**	£
Current:				
Bank loans	**16,000,000**	-	**16,000,000**	-
Leases (see note 24)	**1,467,999**	1,358,670	**98,765**	93,175
	17,467,999	1,358,670	**16,098,765**	93,175
Non-current:				
Bank loans - 1-2 years	**-**	7,000,000	**-**	7,000,000
Leases (see note 24)	**13,188,174**	14,928,341	**122,306**	221,071
	13,188,174	21,928,341	**122,306**	7,221,071

Terms and debt repayment schedule

Group

2025

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Bank loans	16,000,000	-	-	-	16,000,000
Leases	1,467,999	1,659,691	5,322,424	6,206,059	14,656,173
	17,467,999	1,659,691	5,322,424	6,206,059	30,656,173

2024

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Bank loans	-	7,000,000	-	-	7,000,000
Leases	1,358,670	1,488,643	5,197,737	8,241,961	16,287,011
	1,358,670	8,488,643	5,197,737	8,241,961	23,287,011

The bank loan represents the previous loan and guarantee agreement between the Company and HSBC Ventures USA Inc., which provided a Revolving Credit Facility (RCF) of up to £20 million, of which £16 million had been drawn down at the reporting date. This facility remained in place throughout the financial year and was settled in full subsequent to the year end upon the Company entering into a new financing arrangement with HSBC Innovation Bank.

On 5th November 2025, the Company entered into a new loan and guaranty agreement with HSBC Innovation Bank for the provision of an RCF Loan to to draw down up to the value of £20m, with the potential to increase to £25m and alongside this a Term Loan for £7.5m. The RCF has a maturity of the 31st October 2028 and the term loan has a maturity of 1 June 2029.

GBP advances accrue floating interest per annum at the rate greater of fairly simple SONIA+4%. Interest is payable in arrears on the last Business day of each calendar quarter, commencing 31 December 2025. GBP advances accrue floating interest per annum at the rate greater of fairly simple SONIA+4.75%. Interest is payable in arrears on the last Business day of each calendar quarter, commencing 31 December 2025. The loan is subject to an interest only repayment period to 31 December 2026.

The RCF is secured by fixed and floating charges over the assets of the Company.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. LEASING

Group
Right-of-use assets

Property, plant and equipment

	2025 £	2024 £
COST		
At 1 April 2024/1 April 2023	**18,021,445**	20,571,646
Additions	**-**	-
Disposals	**-**	(4,143,289)
Modifications	**40,476**	1,125,020
Exchange differences	**(352,259)**	468,068
At 31 March 2025/31 March 2024	**17,709,662**	18,021,445
ACCUMULATION DEPRECIATION		
At 1 April2024/1 April 2023	**4,637,345**	4,663,964
Charge for year	**1,706,153**	1,751,913
Eliminated on disposal	**-**	(1,946,665)
Modifications	**-**	396,258
Exchange differences	**(71,970)**	(228,125)
At 31 March 2025/31 March 2024	**6,271,528**	4,637,345
NET BOOK VALUE	**11,438,134**	13,384,100

Additions to the right-of-use assets during the 2025 financial year were £nil (2024: £nil).

24. LEASING - continued

Company
Right-of-use assets

Property, plant and equipment

	2025 £	2024 £
COST		
At 1 April 2024/1 April 2023	**522,294**	522,294
Additions	**-**	-
At 31 March 2025/31 March 2024	**522,294**	522,294
ACCUMULATED DEPRECIATION		
At 1 April 2024/1 April 2023	**234,654**	143,820
Charge for year	**90,834**	90,834
At 31 March 2025/31 March 2024	**325,488**	234,654
NET BOOK VALUE	**196,806**	287,640

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Group

Lease liabilities

Minimum lease payments fall due as follows:

	2025 £	2024 £
Gross obligations repayable:		
Within one year	**1,467,999**	1,358,670
Between one and five years	**6,982,115**	6,686,380
In more than five years	**6,206,059**	8,241,961
	14,656,173	16,287,011

Company
Lease liabilities

Minimum lease payments fall due as follows:

	2025 £	2024 £
Gross obligations repayable:		
Within one year	98,765	93,175
Between one and five years	122,306	221,071
	221,071	314,246

Amount recognised in the statement of profit or loss:

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

	Group		Company	
	2025	2024	**2025**	2024
Depreciation charge of right-of-use assets	**£**	£	**£**	£
Land and buildings	**1,706,153**	1,751,913	**90,834**	90,834
Interest expense				
Land and buildings	**976,653**	1,010,619	**17,787**	17,787

Total cash outflow for leases during the year for the Group was £2,175,122 (2024: £2,005,273), and for the Company was £105,688 (2024: £105,688).

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

24. LEASING - continued

Maturity:

The maturity of the gross contractual undiscounted cash flows due on the Group's and Company's lease liabilities are set out below based on the period between 31 March and the contractual maturity dates:

	Group		Company	
	2025	2024	**2025**	2024
Land and buildings:	**£**	£	**£**	£
Within 1 year	**2,338,969**	2,340,633	**105,688**	70,000
Between 1 and 5 years	**9,445,143**	9,657,960	**123,303**	151,667
Over 5 years	**6,767,634**	9,307,134	**-**	-
Totals	**18,551,746**	21,305,727	**228,991**	221,667

The Group leases buildings for use in its operations, of which the lease terms totalled 6 - 10 years. There are no material future cash outflows which the Group is exposed to which are not reflected in the measurement of the lease liabilities.

The Group has applied an incremental borrowing rate of 6% to measure its lease liabilities. However, one lease in the UK, modified in the prior year, uses an incremental borrowing rate of 8%, and one lease in the US uses an incremental borrowing rate of 9.5%. The carrying amounts of the lease obligations are denominated in GBP sterling, US dollars and Euros. The fair value of the Group's lease obligations is approximately equal to their carrying amount.

25. PROVISIONS

Group	**Dilapidations**	**Repairs to Property**	**Customer returns**	**Total**
	£	**£**	**£**	**£**
Balance at 1 April 2023	-	150,000	145,628	295,628
Utilised in the year	-	-	(145,628)	(145,628)
Charged to profit and loss	-	-	150,462	150,462
Balance at 31 March 2024	-	150,000	150,462	300,462
Utilised in the year	-	(150,000)	(150,462)	(300,462)
Charged to profit and loss	50,000	-	182,150	232,150
Balance at 31 March 2025	**50,000**	**-**	**182,150**	**232,150**

Provisions include the estimated value of customer returns in respect of sales made up until 31 March 2025 and is expected to reverse within the next 12 months. MPB Group Limited (parent) has recognised a provision of £50,000 (2024: £nil) in respect of its contractual obligation to restore a leased building to its original condition at the end of the lease term, in accordance with the terms of the lease agreement.

The provision represents the estimated costs of reinstating the premises, including removal of leasehold improvements and repairs, and has been determined based on management's best estimate of the expenditure required to settle the present obligation at the reporting date. The repairs provision related to estimated costs of repairs to a property damaged by fire on 29 Marc 2023, recognised within MPB Europe Limited During the year, the provision was utilised as repai works were undertaken and corresponding costs were incurred. An insurance recovery of £129, was received and is presented separately within other income.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

26. ULTIMATE PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

27. FINANCIAL GUARANTEE AND COMMITMENTS

Details of security held:
Security Agreement dated 5 August 2022, as supplemented by a Supplemental Security Agreement dated 19 September 2024, given by MPB Europe Limited and MPB Group Limited in favour of HSBC Ventures USA Inc.

The instruments together include Fixed Charges over all present freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future, together with a Floating Charge over all assets and undertakings of the Group, both present and future.

Subsequent to the year end, the Group refinanced its banking facilities with HSBC Innovation Bank Limited and executed a new all-assets debenture dated 5 November 2025, which replaced the previous security arrangements in full (see Note 29 - Post Balance Sheet Events).

Guarantees:
MPB Group Limited will guarantee the debts and liabilities of MPB Europe Limited in accordance with section 479C of the Companies Act 2006. The Company has assessed the probability of loss under the guarantee as remote.

28. RELATED PARTY TRANSACTIONS

In addition to the Company's directors, other related parties relate to shareholders of the Company. The balances owed to or owed by related parties for the Group and Company, including transactions in the financial year, were:

	Other related parties - balances owed to		**Directors - balances owed by**	
	2025	2024	**2025**	2024
	£	£	**£**	£
Brought forward	**6,227**	2,083	**-**	72
Directors' fees charged	**52,808**	52,494	**-**	-
Other related party fees charged	**5,000**	5,750	**-**	-
Amounts paid in respect of fees	**(53,123)**	(52,017)	**-**	-
Expenses settled	**-**	-	**-**	-
Amounts repaid	**(6,227)**	(2,083)	**-**	(72)
Carried forward	**4,685**	6,227	**-**	-

Interest payable of £NIL (2024: £NIL) was charged in respect of the related party loan relating to loan stock issued to shareholders. On 28 May 2021, the Company repaid the entire outstanding loan stock.

Remuneration of Key management personnel is disclosed in note 6.

MPB Group Limited, the parent company, has provided a financial guarantee to its wholly-owned subsidiary, MPB Europe Ltd. This guarantee ensures that MPB Europe Limited will meet its financial obligations, thereby exempting MPB Europe Limited from the requirement to have its financial statements audited under the Companies Act 2006 for the financial year ended 31 March 2025.

29. POST BALANCE SHEET EVENTS

On 5th November 2025, the Company entered into a new loan and guaranty agreement with HSBC Innovation Bank for the provision of an RCF Loan to to draw down, up to the value of £20m, with the potential to increase to £25m and alongside this a Term Loan for £7.5m. The RCF has a maturity of the 31st October 2028 and the term loan has a maturity of 1 June 2029. This extension will support the continuing growth of the business.

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

30. EMPLOYEE SHARE OPTIONS

Options over Ordinary shares in the Company have been granted to certain employees at the discretion of the directors and they will be settled in equity, once exercised. If the options remain unexercised after the end of the exercise period, they will expire. Options are forfeited if the employee leaves the Group.

Options are granted at a fixed exercise price and the vesting period is either four or five years. These are no performance conditions other than the vesting period and continued employment within the Group. The options become exercisable when an "exit event" occurs, which includes a sale, refinancing or initial public offering of the Company. The directors have estimated the exercise period to be January 2020 for options issued in January 2015 and June 2016, 31 March 2024 for options issued November 2018, August 2019, May 2020, August 2020 and February 2021, 31 March 2025 for options issued in April 2023, August 2023, January 2024 and March 2024 and 31 March 2026 for options issues in May 2024 and October 2024.

The Company has two schemes; an EMI scheme which is HMRC approved and includes the 2016 options, and a second unapproved scheme.

The grants expire after 10 years. Each grant listed below can be exercised from 31 March 2025.

	Date of grant	Start of year Number	Granted Number	Exercised / forfeited Number	End of year Number	Exercise price £
EMI Scheme 5	21 October 2024	-	207,251	-	207,251	0.3500
EMI Scheme 5	7 May 2024	-	5,782	-	5,782	0.3500
EMI Scheme 5	3 May 2024	-	3,000	-	3,000	0.3500
EMI Scheme 5	31 March 2024	2,000	-	-	2,000	0.3500
EMI Scheme 5	4 January 2024	1,500	-	-	1,500	0.3500
EMI Scheme 5	4 January 2024	1,000	-	-	1,000	0.3500
EMI Scheme 5	15 August 2023	1,500	-	-	1,500	0.3500
EMI Scheme 5	1 August 2023	2,000	-	-	2,000	0.3500
EMI Scheme 5	1 August 2023	2,500	-	-	2,500	0.3500
EMI Scheme 5	10 April 2023	2,500	-	-	2,500	13.3700
EMI Scheme 5	10 April 2023	1,000	-	-	1,000	0.3500
EMI Scheme 5	10 April 2023	8,700	-	-	8,700	0.3500
EMI Scheme 5	9 January 2023	2,000	-	(2,000)	-	0.3500
EMI Scheme 5	31 December 2022	2,000	-	(2,000)	-	0.3500

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

30. EMPLOYEE SHARE OPTIONS - continued

	Date of grant	Start of year Number	Granted Number	Exercised / forfeited Number	End of year Number	Exercise price £
EMI Scheme 5	8 December 2022 (2)	2,000	-	-	2,000	13.3700
EMI Scheme 5	8 December 2022 (1)	4,000	-	-	4,000	0.3500
EMI Scheme 5	1 July 2022	5,495	-	-	5,495	0.3500
EMI Scheme 5	20 June 2022	2,000	-	-	2,000	12.6000
EMI Scheme 5	27 April 2022	20,652	-	(2,000)	18,652	0.3500
EMI Scheme 4	6 October 2021	18,914	-	-	18,914	0.3500
EMI Scheme 4	8 July 2021	8,377	-	-	8,377	0.5300
EMI Scheme 4	18 February 2021	6,678	-	(6,678)	-	0.3500
EMI Scheme 4	14 August 2020	25,608	-	(17,034)	8,574	0.3500
EMI Scheme 4	01 August 2020	5,152	-	-	5,152	2.3100
EMI Scheme 3	28 August 2019	45,514	-	(8,457)	37,057	0.3200
EMI Scheme 2	12 November 2018	62,819	-	(53,752)	9,067	0.5300
EMI Scheme	15 June 2016	43,600	-	(43,600)	-	0.1835
2016 Options Scheme	5 January 2015	1,044	-	(1,044)	-	0.0001
		278,553	**216,033**	**(136,565)**	**358,021**	

The fair value of share options determined by the Black Scholes model is based on a number of assumptions, as stated below. The expected volatility has been determined by reference to historical volatility of a public limited company which operates in the same sector.

Details of the inputs to the model for share options granted in the financial year are as follows:

	October 2024	May 2024	May 2024
Share Value at grant - £	46.68	46.68	46.68
Exercise Price - £	0.35	0.35	0.35
Expected Life	1 year	1 year	1 year
Staff turnover -%	12	12	12
Risk-free rate - %	0.30	0.30	0.30
Expected Volatility - %	1.00	1.00	1.00
Fair value of option - £	46.33	46.33	46.33

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

30. EMPLOYEE SHARE OPTIONS - continued

Details of the number of share options and the weighted average exercise price ('WAEP') outstanding during the year are as follows:

	2025		2024	
	Number	WAEP - £	Number	WAEP - £
Outstanding at beginning of year	278,553	0.6929	272,463	0.5572
Granted during the year	216,033	0.3500	23,900	1.7112
Exercised during the year	-	-	-	-
Forfeited during the year	(136,565)	(0.3632)	(17,810)	(0.3500)
Outstanding at end of the year	358,021	0.6117	278,553	0.6929
Exercisable at end of the year	358,021	0.6117	255,853	0.5961

The weighted average remaining life of share options at the end of the year was 1 year (2024: 1 year).

There were warrants issued to HSBC last year. The warrants were included in the share-based payment charge. The warrants can be exercised at any point when a funding transaction happens at the discretion of HSBC.

The warrants over the C Ordinary Shares were exercised on 31 March 2022 per the SSA. The warrants are exercisable on the earlier of a further £2,000,000 fundraising, or a safe or listing event. In accordance with IFRS 2 the warrants, as equity settled instruments, were measured at the fair value of the services provided by the warrant holder.

The Group recognised a total share-based payment charge of £2,297,017 (2024: £900,923) in respect of share options and £nil (2024: £nil) in respect of warrants.

31. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Reconciliation of liabilities arising from financing activities - Group:

	1 April 2024	Cash flows	Other non-cash movements	31 March 2025
	£	£	£	£
Lease liabilities	16,287,011	(2,175,122)	544,284	**14,656,173**
Short-term borrowings	7,000,000	9,000,000	-	**16,000,000**
	23,287,011	6,824,878	544,284	**30,656,173**

	1 April 2023	Cash flows	Other non-cash movements	31 March 2025
	£	£	£	£
Lease liabilities	19,730,005	(2,005,273)	(1,437,721)	**16,287,011**
Long-term borrowings	7,000,000	-	-	**7,000,000**
	26,730,005	(2,005,273)	(1,437,721)	**23,287,011**

MPB GROUP LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

32. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH USED IN OPERATIONS

Group

	2025	2024
	£	£
Loss before income tax	**(7,599,550)**	(8,165,778)
Depreciation charges	**2,315,479**	2,386,200
(Gain)/Loss on disposal of fixed assets	**(1,139)**	39,477
Cancellation of Right of Use Assets	**-**	2,244,969
Amortisation charges	**2,538,167**	2,082,043
Share-based payment charge	**2,297,017**	900,923
Provision movements	**(68,312)**	4,834
RDEC Income recognised (non-cash)	**(237,184)**	-
Non-cash movement in lease liabilities	**(293,425)**	(3,262,768)
FX Loss on consolidation of group entities	**954,177**	14,660
Finance costs	**2,162,521**	1,641,758
Finance income	**(20,795)**	(23,538)
	2,046,956	(2,137,220)
Increase in inventories	**(2,724,171)**	(4,710,138)
Decrease/(increase) in trade and other receivables	**646,337**	(1,236,995)
(Decrease)/increase in trade and other payables	**(318,220)**	2,806,141
Cash used in operation	**(349,098)**	(5,278,212)