moonpig group plc

26 June 2025

Moonpig Group plc ("Moonpig Group" or the "Group")

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2025

Strong Adjusted EPS growth and high Free Cash Flow driven by the ongoing power of the Moonpig brand

Summary financial results

	Year ended 30 April 2025	Year ended 30 April 2024[2]	Year-on-year growth
Revenue (£m)	**350.1**	341.1	2.6%
Gross profit (£m)	**208.6**	202.5	3.0%
Gross margin (%)	**59.6%**	59.4%	0.2%pts
Adjusted EBITDA (£m)[1]	**96.8**	95.5	1.3%
Adjusted EBITDA margin (%)[1]	**27.6%**	28.0%	(0.4)%pts
Reported profit before taxation (£m)	**3.0**	46.4	(93.6)%
Adjusted profit before taxation (£m)[1]	**67.5**	58.2	16.0%
Adjusted earnings per share - basic (pence)[1]	**15.0**	12.7	18.1%
Dividend (pence)	**3.0**	–	N/a
Free Cash Flow (FCF) (£m)[1]	**66.1**	61.0	8.4%

1. Stated before Adjusting Items of £56.7m in Adjusted EBITDA (FY24: £3.5m), £64.6m (FY24: £11.8m) in operating profit, £62.6m (FY24: £9.4m) in profit after taxation and £nil in Free Cash Flow (FY24: £2.4m). See Note 6 for more information.
2. Prior year figures include the benefit from excess non-redemption of experience vouchers issued during Covid with extended expiry dates

Results summary

- Revenue of £350.1m, with the Moonpig brand growing at 8.6% year-on-year.
- Adjusted EBITDA of £96.8m with margin of 27.6%.
- Adjusted EPS growth of 18.1% reflecting growth in trading and lower interest costs.
- Strong cash generation with Free Cash Flow increasing by 8.4% to £66.1m.
- Share buyback of £25m completed in H2 FY25 with intention to repurchase up to £60m during FY26.

Strategic and operational highlights

Strong trading at Moonpig and continued progress towards growth at Greetz:

- Moonpig and Greetz active customers grew to 12.0m (April 2024: 11.5m), with both brands increasing their customer base in the second half. Total orders grew by 4.1% with average order value rising by 2.1%.
- Moonpig revenue increased by 8.6% year-on-year, underpinned by growth in orders.
- Moonpig revenue in the US, Australia and Ireland grew at a combined 36.1% year-on-year.
- Greetz revenue decrease moderated to -4.7% in FY25, or -2.4% on a constant currency basis as we leverage the technology platform. Since April 2025, revenue has been in line with prior year levels, also at constant currency.

Strong operational momentum at Experiences:

- We are taking proactive steps to reposition the Experiences proposition against a challenging market environment.
- H1 FY25 non-cash goodwill impairment charge for Experiences at £56.7m, classified as an Adjusted Item.
- We expect to make continued strategic progress across the year ahead, helped by a strengthened divisional management team, the rollout of new features enabled by the completion of re-platforming during FY25 and a strong pipeline of product launches in subscription gifting, casual dining and live experiences.

Continued technology innovation and enhanced deployment of AI to drive frequency and retention:

- Database of customer occasion reminders grew to 101 million (April 2024: 90 million) and use of creative features increased by 45% year-on-year to 15 million in FY25.
- Moonpig Plus and Greetz Plus subscriptions increased to 920k members (April 2024: 540k) with Moonpig Plus lifting members' average order frequency by over 20%.
- New Initiatives contributed to recent strong momentum in gift attach rate, which returned to growth in FY25.

Outlook for FY26

Since the start of the year, trading across the Group has been in line with our expectations, including strong Father's Day trading. Moonpig is growing at double-digit levels and Greetz revenue is in line with the prior year. At Experiences, we continue to build on recent operational momentum.

For FY26, we expect Group Adjusted EBITDA to grow at a mid-single digit percentage rate and growth in Adjusted earnings per share at between 8% and 12%, with continued strong free cash flow generation funding ongoing investment in our growth strategy and consistent returns to shareholders.

With respect to the medium term, we continue to target double-digit revenue growth, Adjusted EBITDA margin of 25% to 27% and mid-teens growth in Adjusted EPS.

Nickyl Raithatha, CEO, commented

"We are pleased to report a year of strong Adjusted EPS growth and high free cash flow, driven by the ongoing strength of the Moonpig brand. Our performance reflects the power of our business model and the benefits of our sustained investment in technology, data and AI to help our customers express themselves in ever more meaningful and personalised ways. Today, one in three cards created on Moonpig and Greetz features at least one of our innovative personalisation features – from AI handwriting to audio and video messages. Since launching AI-generated stickers for the inside of cards in February our customers have already created over four million unique images.

We recently celebrated Moonpig's 25th birthday and we were delighted to mark this by reaching half a billion items sold since we were founded. Our database of customer occasion reminders has grown to more than 100 million and we are rapidly approaching one million members of the Moonpig Plus subscription scheme, with both milestones demonstrating the engagement and loyalty of our customers.

We have maintained strong trading momentum since our year-end, with Moonpig delivering its biggest ever Father's Day, exceeding sales at the peak of lockdown in 2020. Looking ahead, Moonpig Group's clear market leadership puts us in a strong position to capitalise on the long-term shift to online."

Investor and analyst meeting

The full year results presentation will be available on the Investor Relations section of Moonpig Group's corporate website (www.moonpig.group/investors) shortly after 7:00am on 26 June 2025.

Nickyl Raithatha (CEO) and Andy MacKinnon (CFO) will host a Q&A for analysts and investors via webcast at 8:30am. Please note that the presentation will not be repeated during the webcast.

Analysts wishing to register for the event should email investors@moonpig.com.

Investors wishing to listen to the Q&A should register via the following link:
https://sparklive.lseg.com/MoonpigGroup/events/f4a9a843-cbf8-4135-9ebb-0e0eee76c206/moonpig-group-plc-fy2025-full-year-results-q-a

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About Moonpig Group

Moonpig Group plc (the "Group") is a leading online greeting cards and gifting platform, comprising the Moonpig, Red Letter Days and Buyagift brands in the UK and the Greetz brand in the Netherlands. The Group's leading customer proposition includes an extensive range of cards, a curated range of gifts, personalisation features and next day delivery offering.

The Group offers its products through its proprietary technology platforms and apps, which utilise unique data science capabilities designed by the Group to optimise and personalise the customer experience and provide scalability. Learn more at https://www.moonpig.group/.

Forward Looking Statements

This announcement contains certain forward-looking statements with respect to the financial condition, results or operation and businesses of Moonpig Group plc. Such statements and forecasts by their nature involve risks and uncertainty because they relate to future events and circumstances. There are a number of other factors that may cause actual results, performance or achievements, or industry results to be materially different from those projected in the forward-looking statements.

These factors include general economic and business conditions; changes in technology; timing or delay in signing, commencement, implementation and performance of programmes, or the delivery of products or services under them; industry; relationships with customers; competition and ability to attract personnel. You are cautioned not to rely on these forward-looking statements, which speak only as of the date of this announcement. We undertake no obligation to update or revise any forward-looking statements to reflect any change in our expectations or any change in events, conditions or circumstances.

Business review

Overview

FY25 marked another year of successful delivery for Moonpig Group, as we reinforced our position as the category-defining platform for greeting cards and gifting. We are the clear market leader in online cards in both the UK and the Netherlands, holding a 70% share of the UK online single cards market and around 65% in the Netherlands through Greetz (source: OC&C, October 2024). These positions reflect the compounding advantages of our platform, built on a powerful combination of brand strength, scale and proprietary data. Our position was further reinforced by extending our strategic asset of occasion reminders to more than 101 million and deepening our powerful network effect through reaching recipients with over 50 million personalised cards and gifts.

We operate in a structurally high-growth and underpenetrated market. The online card market is still in its infancy, with only 6% penetration by volume and 15% by value in the UK. We are driving and capturing this long-term secular shift from offline to online through innovation in technology and data. In FY25, we continued to extend our UK market leadership. At Greetz, the technology platform is increasingly delivering operational and commercial benefits and we exited the year on an encouraging trajectory. Across our markets, our cards-first strategy and innovations in online experience position us to lead and accelerate the ongoing channel shift.

Our platform leverages data, technology and AI to build customer loyalty and grow customer cohort value over time. Nearly nine tenths of Moonpig and Greetz revenue comes from existing customers, with technology playing a central role in driving repeat behaviour. In FY25, we continued to expand the reach and impact of both our reminders ecosystem and the Plus subscription membership programme and launched new AI-powered tools to further differentiate our offering from the offline market. Together, these capabilities have strengthened customer growth and loyalty, which are key contributors to our revenue growth.

We continue to demonstrate the strength of our asset-light, growth-compounding business model, which enables us to scale efficiently while maintaining high margins. Growth is driven by three compounding levers: more active customers, higher purchase frequency, and rising average order value – particularly through gift attachment. Our Adjusted EBITDA margin of 27.6% in FY25 reflects high gross margins and low reliance on paid acquisition. With low inventory, negative working capital and modest capex we are structurally asset light. This model supports disciplined reinvestment in technology, marketing and fulfilment automation, while generating Free Cash Flow of £66.1m in FY25. For the year ahead, we expect this to enable significant capital returns to shareholders whilst maintaining year-end net leverage at approximately 1.0x.

We continued to pursue our strategy of self-funded international expansion in Ireland, Australia and the US with combined revenue from these markets growing by 36.1% to £11.8m. Each market follows a structured path from discovery to product-market fit and, if successful, ultimately to profitable growth. Ireland has reached profitability in its second full financial year of operation and, while still small, continues to grow steadily – validating our phased approach. In Australia and the US, which are at an earlier stage of development, we are applying Group capabilities while localising when essential. Our small, agile teams in both markets are focused on rapid iteration, testing and optimisation, aiming to establish sustainable and profitable unit economics over time. Early signs are encouraging and support our long-term conviction in the opportunity that these markets represent.

We enter FY26 with strong operational momentum and a clear focus on strategic priorities. At Moonpig and Greetz we will continue to scale the active customer base, to drive frequency by leveraging reminders, Plus subscriptions and innovative technology features, and to build on recent strong momentum in gift attach rate. The Experiences segment continues to face a challenging market environment, with a proposition more exposed to cyclical pressures than the rest of the Group. The transformation of Experiences will continue, with encouraging progress underway in expanding the product proposition and enhancing the customer experience. Our platform, underpinned by resilient customer behaviour, leading technology and disciplined execution, positions us to continue delivering sustained growth and shareholder value.

Leveraging data and technology

We harness technology and data to drive growth in two principal ways. First, we continuously improve our user experience through high-frequency experimentation. Each month, we run numerous controlled tests, presenting feature variants to segmented customer groups. These experiments measure impact on KPIs such as conversion and order value, with successful variants deployed and used to guide future prioritisation. Second, we apply AI to our proprietary customer data to deliver a more personalised journey. By combining this data with advanced algorithms, we tailor the experience so customers are more likely to find the perfect card and gift every time, driving improvements in order frequency and average order value over time.

Moonpig and Greetz have shared a unified website platform since late 2022. In FY25, we extended this integration by migrating Greetz to the same CRM system as Moonpig, providing our marketing team with a common platform for email and app notifications so they can more easily share best practices. We also moved Greetz onto the same payment platform as Moonpig enabling automatic subscription billing renewals for Greetz Plus. The two brands now share common technology across all areas outside fulfilment, with new features available for deployment in both the UK and the Netherlands. At the same time, we are increasingly tailoring aspects of the user experience to local market needs – for example, Greetz now features a redesigned delivery scheduler that accounts for Dutch customers' greater price sensitivity, in contrast to UK customers' stronger preference for speed of delivery.

We have focused on leveraging AI at every possible touchpoint to deliver the most personalised shopping experience for our customers. We now use the latest AI models to tag our cards, to better understand customer search queries, to scan the image of each card and to analyse customer sentiment by scanning the message in each card. Together, these deliver a self-improving experience where our customers are finding and creating more relevant and meaningful products with less effort than ever before.

We continued to launch innovative creative tools that set our proposition apart and encourage repeat use. In December, we launched "Your Personal Handwriting", enabling customers to upload and apply their handwriting as a custom font, while in February we introduced AI stickers, allowing users to generate bespoke images via natural language prompts – with over 4 million created to date. These features build on a creative suite that also includes audio and video messages, flexible photo layouts and digital gifts.

To streamline the login experience, we introduced social login using Apple and Google credentials, alongside account linking to provide existing customers who use social login with seamless access to their reminders. The "Magic Link" feature now allows automatic login from reminder emails, while password resets have been replaced by one-time login codes for ease of access.

We have also maintained a strong focus on customer satisfaction, enhancing both the delivery and service experience. This includes upgrades to the delivery scheduler interface, technology enablement for Moonpig Guaranteed Delivery, and the launch of tracked card delivery in Ireland. Additionally, we have expanded the use of AI-powered chatbots to handle a greater share of customer service queries, enabling efficient, high-satisfaction self-service.

At Experiences, the completion of re-platforming has enabled the development of a range of customer-facing features, with a focus on driving commercial performance through enhanced product discovery and easier location-based shopping:

- Site-wide navigation across Red Letter Days and Buyagift, alongside upgraded mobile filters, to improve usability and help customers find products more easily.
- Gift Finder tool, integrated into the homepage and navigation, to enable customers to narrow choices by location and category before viewing tailored experience listings.
- Redesigned product details page layout to reinforce trust by clearly presenting key highlights, voucher inclusions, and unique selling points such as "Fully Flexible", "Easy Extensions", and "Instant Delivery".
- Next Best Action feature to surface personalised product recommendations after each detail page visit, increasing relevance and upsell potential.
- Location-based shopping innovations to offer improved filters, interactive maps for multi-choice vouchers and custom landing pages for top-searched destinations.
- Occasion-specific UX for events like Father’s Day to adapt homepage, landing and listing pages and maximise relevance and conversion during peak periods.

Building our brands

The strength of our brands is most clearly demonstrated by our ability to continuously acquire customers profitably and to keep them coming back year after year. We have made significant progress here in FY25, with the total active customer base at Moonpig and Greetz increasing by 4.3% to 12.0 million as at 30 April 2025 (30 April 2024: 11.5 million). This performance reflects the strength of our well-optimised marketing platform, which consistently delivers customer acquisition at scale within our 12-month payback threshold. It was further enhanced by technology developments such as social login, which improved the conversion of visitors into new customers. Moonpig saw consistently strong acquisition throughout the year, with Greetz new customers returning to year-on-year growth in H2 FY25.

Headline frequency remained unchanged year-on-year at 2.94 orders per active customer. This reflects the mix impact of strong new customer acquisition, as year one cohorts have lower frequency than our overall customer base. Frequency among established Moonpig customers was underpinned by continued development of our frequency levers:

- Our reminders ecosystem continues to scale, with our database of occasion reminders increasing to 101 million at 30 April 2025 (FY24: 90 million). Nearly 40% of Moonpig orders are placed within seven days of a customer receiving the relevant occasion reminder, underlining the importance of this proprietary channel in driving both frequency and retention.
- Subscriptions to Moonpig Plus and Greetz Plus grew to a combined 920,000 (April 2024: 540,000), with members' purchase frequency uplifted by more than 20% when they subscribe. These members are our most engaged customers, setting 2.5 times more occasion reminders than non-members who are active customers and they also exhibit materially higher gift attachment rates and app usage.
- We continued to drive customer usage of innovative creative features that differentiate our greeting card proposition and drive frequency. Total usage of card creative features rose to 15 million in FY25, up from 10 million in the prior year.

Reliable delivery is central to how our brand is perceived and we are evolving our delivery proposition at pace. In FY24, we introduced an affordable tracked next-day delivery service for cards at seasonal peak events. We have since built on this to launch Moonpig Guaranteed Delivery as an always-on option allowing customers to select a guaranteed delivery date at checkout. Adoption has been strong with the service accounting for over one third of card-only orders by April 2025.

We are also building brand awareness in new markets as the foundation for long-term growth. We continue to operate New Markets as a single profit pool, reinvesting profit growth to support scalable customer acquisition. Total revenue across these markets grew to £11.8m in FY25 (FY24: £8.7m), led by Australia (£4.9m) and Ireland (£4.8m). In FY26, we plan to prioritise Australia for incremental investment, aiming to reach healthy payback metrics in this key market.

Evolving our range

One of our three growth levers is increasing average order value, with the primary driver being growth in gift attach rate. We pursue this in three ways: improving the user experience, enhancing our recommendation algorithms and expanding our gifting range. A key element of the third pillar is partnering with trusted consumer brands.

Trusted brands give customers confidence in the quality and appeal of our gifts. In FY25, we introduced new collaborations with Hotel Chocolat in premium chocolate, Next in beauty and homeware and The Fragrance Store in perfume. We also partnered with The Entertainer and Early Learning Centre to manage our entire children's toy proposition on a consignment basis, eliminating inventory risk. These partners contribute deep category merchandising expertise, enrich our curated range and lend their brand equity to our platform. Their introduction supported robust gift attach rate growth during the second half of the year. Looking ahead, we are actively engaging with several additional high-profile trusted brands, with further launches planned for FY26.

In New Markets, our objective is to increase customer lifetime value to support future scaling of marketing, and gifting range expansion is a key element of this. In Ireland, three years post-launch, we now offer over 160 gifts to support double-digit percentage attach rates and higher repeat purchase; we broadened our local range during the year with the launch of balloons. In Australia, we expanded during FY25 into new categories including chocolate and hampers. In the United States, we have launched an initial range of gifts including digital retail gift cards and personalised mugs. Alongside this, we have expanded our fulfilment infrastructure in both Australia and the US through new partnerships with third-party fulfilment centres in Sydney and Las Vegas.

Our global design platform is the driving force behind our card offering, a marketplace that connects us with designers worldwide. During FY25 we onboarded a range of cards from Scribbler and expanded our selection of cards for secondary card-giving occasions to support new customer acquisition campaigns. We also broadened our range of card designs for recipients outside the household to facilitate growth in direct-to-recipient deliveries which have a higher propensity for gift attachment. At Greetz, we strengthened our portfolio by licensing over 60 global and Dutch brands.

Control of in-house fulfilment has enabled investment to drive efficiency improvements. In September 2024, we insourced UK balloon fulfilment to improve gross margin. For FY26, we are investing in automated parcel sortation, which is an enabler for broadening our range of gift delivery options, together with specialist printers that will enable the insourcing of giant card fabrication.

At Experiences, we have maintained our focus on refreshing and expanding the proposition, with a strong pipeline and an expected acceleration in the rate of new product launches during H1 FY26. Expansion is concentrated on branded partners and categories with clear consumer demand. We have launched new live and immersive experiences including The Traitors Live Experience, Squid Game, The FRIENDS Experience, and Elvis Evolution. In subscription gifting, we have added brands such as Gousto and Glossybox, with further launches imminent across categories including wine, magazines and flowers. We are also growing our range of social and competitive experiences through partnerships such as Monopoly Lifesized. In pubs, bars and casual dining, we have added well-known brands including Slug & Lettuce and BrewDog.

Maintaining high ethical, environmental and sustainability standards

In FY25, we sharpened our focus by developing a revised sustainability strategy, shaped by our double materiality assessment of sustainability risk. The strategy defines four goals across three areas of maximum impact:

- Climate change – direct emissions: We have maintained our target to reduce absolute Scope 1 and 2 emissions by at least 50% by 2030 (a target that has been validated by the SBTi) and reduce operational emissions by at least 90% by 2050 with the remaining residual emissions to be offset.
- Climate change – value chain emissions: We have retained our existing goal to secure commitments from suppliers to adopt SBTi-aligned net zero targets covering 67% of our Scope 3 emissions by 30 April 2030 and reduce Scope 3 emissions intensity by 97% by 2050.
- Waste and circularity: We have set a goal to reduce overall waste and packaging generation in alignment with EPR guidance by improving the efficiency of material use and ensuring responsible end-of-life management. Work is ongoing with suppliers to collate data so that we can set a FY25 baseline for tracking this goal.
- Technology security and data privacy: We have set a goal to implement an information security management system that aligns with the NIST Cybersecurity Framework by 2030.

During the year, we increased the proportion of Scope 3 emissions covered by SBTi-aligned net zero supplier commitments to 28.8%, up year-on-year from 19.3% the previous year. We also reduced absolute location-based Scope 3 emissions by 5.0% year-on-year.

We eliminated single-use plastics from shipping packaging in our Dutch operations during FY25, having previously delivered the same in the UK. To maintain our "forest positive" stance, we funded the planting of 113 hectares or 151,000 trees, helping to restore biodiversity and sequester carbon. We also implemented a new UK warehouse management system which we expect to assist in packaging waste reduction in FY26.

The adoption of a formal goal for data and technology security was timely, given recent cyber-attacks targeting high-profile UK consumer businesses. In response, we have reviewed our internal processes and controls to ensure they remain resilient. We have invested significantly in technology security across many years and intend to maintain a robust security posture.

Financial review

Introduction

We delivered strong growth in profit before tax in FY25, with Adjusted PBT rising by 16.0% to £67.5m and Adjusted basic EPS increasing by 18.1% to 15.0 pence. This reflects consistent revenue growth at the Moonpig segment, sustained Adjusted EBITDA margins and strong Free Cash Flow that has accelerated earnings growth through lower interest costs and a smaller share count following the repurchase and cancellation of shares.

Moonpig Group's revenue base is high-quality and predictable. Nearly nine-tenths of Moonpig and Greetz revenue derives from existing customers, with retention improving across all cohorts and frequency remaining stable. These cohort dynamics underpin consistent revenue growth, reinforce resilience and contribute to steadily rising customer lifetime value.

Technology is our core revenue growth engine, with data forming a structural moat. Every day, we collect more than twice as much data as the rest of the greeting card market combined, deepening our competitive advantage. We have over 101m customer occasion reminders, allowing us to engage customers at moments of gifting intent. AI enhancement such as personalised gifting algorithms, sentiment analysis and semantic search continue to increase conversion, basket size and overall customer engagement.

Moonpig's growth strategy is grounded in three clear and compounding revenue drivers: expanding our active customer base, increasing order frequency and growing average order value – in particular, through growth in gift attachment. Our ability to acquire customers at under 12 months' payback and deepen their value over time supports sustainable revenue growth over the medium term. The Plus subscription programme now accounts for approximately 20% of Moonpig orders in the UK and lifts members' average order frequency by over 20%. We returned gift attach rate to growth in FY25, with momentum building as the year progressed.

Our platform is structurally profitable and capital light. We maintain high gross margins, operate with negative working capital and manage capex within a disciplined ROI framework. With low inventory risk and operational leverage across fulfilment and technology, the Group consistently delivers high and growing operating cash flow. These fundamentals enable us to both invest in future growth and generate excess capital.

We generate strong cash flow and allocate capital with discipline. In FY25, Free Cash Flow was £66.1m (FY24: £61.0m). Adjusted operating cash flow, which is stated before capital expenditure, was £82.3m (FY24: £74.2m), representing an Adjusted operating cash conversion rate of 85%. This supported a reduction in net leverage to 0.99x (FY24: 1.31x) and a £25.0m share repurchase programme. The Board has proposed dividends of 3.0 pence per share, amounting to an estimated total dividend distribution of approximately £10.0m, dependent on issued share capital at the next record date. The FY25 dividend is covered 5.0x by Adjusted profit before taxation – above our medium-term target range of 3x to 4x. With our growth priorities fully funded, we intend to repurchase up to £60.0m of shares in FY26, whilst maintaining year-end leverage in line with our 1.0x target.

In combination, these attributes create a platform with high operating leverage, predictable revenue and efficient capital deployment. This has delivered sustained cash generation and Adjusted EPS growth of 18.1%. We expect to deliver consistent mid-teens growth in Adjusted EPS in future years.

Financial performance – Group

	Year ended 30 April 2025	Year ended 30 April 2024	Year-on-year growth
Revenue (£m)	**350.1**	341.1	2.6%
Gross profit (£m)	**208.6**	202.5	3.0%
Gross margin (%)	**59.6%**	59.4%	0.2%pts
Adjusted EBITDA (£m)[1]	**96.8**	95.5	1.3%
Adjusted EBITDA margin (%)[1]	**27.6%**	28.0%	(0.4)%pts
Reported profit before taxation (£m)	**3.0**	46.4	(93.6)%
Adjusted profit before taxation (£m)[1]	**67.5**	58.2	16.0%
Reported earnings per share - basic (pence)	**(3.2)**	10.0	(132.0)%
Adjusted earnings per share - basic (pence)[1]	**15.0**	12.7	18.1%
Free Cash Flow (FCF) (£m)[1]	**66.1**	61.0	8.4%
Net leverage	**0.99x**	1.31x	(0.32)x

1. Stated before Adjusting Items of £56.7m in Adjusted EBITDA (FY24: £3.5m), £64.6m in profit before taxation (FY24: £11.8m), £62.6m (FY24: £9.4m) in profit after taxation and £nil is in Free Cash Flow (FY24: £2.4m). See Adjusting Items at Note 6.

The Group delivered revenue of £350.1m, representing year-on-year growth of 2.6%. This was driven by strong revenue growth of 8.6% at Moonpig, offset in part by performance at Greetz and Experiences. The prior year includes annualisation of prior year temporary additional non-redemption revenue on expired vouchers at Experiences.

Revenue growth at Moonpig was driven by growth in both orders and AOV. This was underpinned by technology investment, with our product, data and technology workforce focused on initiatives that delivered growth in new customer acquisition and customer purchase frequency. We also delivered a return to year-on-year growth in gift attach rate across both H1 and H2 FY25, with growth accelerating in the second half of the year.

We have continued to make progress at Greetz, with revenue decreases moderating from a decrease of 7.5% in FY24 to 4.7% in FY25. On a constant currency basis, this equates to a decrease of 2.4% for the financial year. Greetz had a softer start to the second half of the year, but recent performance has been more encouraging, with an improved exit rate to FY25. A broad range of operational KPIs have maintained an upward trajectory, including new customer acquisition, brand keyword traffic, customer satisfaction scores and gift attachment rates. From April 2025 onwards, Greetz revenue has been in line with prior year on a constant currency basis.

The Experiences segment continues to face a challenging market environment, with a proposition more exposed to cyclical pressures than the rest of the Group. The £56.7m non-cash impairment charge to goodwill recognised as at 31 October 2024 remained unchanged at year-end. We now have strong operational momentum in the Experiences business, which we will continue to build on in FY26, helped by a strengthened divisional management team, the rollout of new features enabled by the completion of re-platforming during FY25 and a strong pipeline of product launches in subscription gifting, casual dining and live experiences.

The Group maintained Adjusted EBITDA margin rate at 27.6% (FY24: 28.0%), despite the absence of the prior year Covid-related non-redemption revenue at 100% margin. Excluding this one-time benefit, underlying margin performance strengthened – supported by intake margin improvements at Moonpig, operational efficiencies in UK fulfilment and continued expansion of higher-margin revenue streams such as Plus subscription fees.

Adjusted profit before taxation increased by 16.0% to £67.5m (FY24: £58.2m), driven by lower net finance charges as we refinanced to lower-cost debt facilities in February 2024 and lower drawdown on our revolving credit facility.

Adjusted basic EPS for FY25 increased by 18.1% to 15.0 pence (FY24: 12.7 pence) as strong Free Cash Flow of £66.1m (FY24: £61.0m) enabled us to both reduce net finance costs through deleveraging and lower our average issued share capital through repurchasing and cancelling shares.

Revenue

	Year ended 30 April 2025	Year ended 30 April 2024	Year-on-year growth %
Active customers (m)	**12.0**	11.5	4.1%
Orders per active customer (number)	**2.94**	2.94	0.0%
Moonpig and Greetz orders (m)	**35.3**	33.9	4.1%
Moonpig and Greetz AOV (£ per order)	**8.8**	8.6	2.1%
Moonpig and Greetz revenue (£m)	**310.9**	292.5	6.3%
Moonpig revenue (£m)	**262.0**	241.3	8.6%
Greetz revenue (£m)	**48.9**	51.2	(4.7)%
Moonpig and Greetz revenue (£m)	**310.9**	292.5	6.3%
Experiences revenue (£m)	**39.2**	48.6	(19.3)%
Group revenue (£m)	**350.1**	341.1	2.6%

Moonpig and Greetz revenue increased by 6.3% year-on-year, driven by increases in both order volumes and average order value (AOV). Active customers grew by 4.1% to 12.0m, reflecting consistent year-on-year new customer acquisition. Whilst headline order frequency remained unchanged at 2.94 orders per active customer (FY24: 2.94), this includes the mix impact from particularly strong new customer acquisition. We continued to make strong progress with the drivers of underlying frequency growth, including reminders collection and Plus subscriptions. Average order value increased by 2.1% year-on-year, driven by postage price increases, more efficient targeting of promotional activity and year-on-year growth in gift attach rate.

Group revenue growth was powered by Moonpig, at which revenue increased by 8.6% year-on-year. The revenue trajectory at Greetz continued to improve from a 7.5% decrease in FY24 to a decrease of 4.7% in FY25 including the adverse impact from foreign exchange translation. On a constant currency basis, Greetz sales in FY25 were 2.4% lower than the prior year.

Moonpig is driving growth in sales where it acts as an agent, for children's toys and gift experiences. Under the agency model, only commission earned is recognised as revenue, resulting in lower reported revenue compared to the gross amount that would be recorded if the Group acted as principal.

At Experiences, the reported year-on-year reduction in revenue includes the prior year recognition of temporarily higher non-redemption relating to gift boxes (primarily distributed through high street retail partners) and individual experiences vouchers that were sold during Covid with extended expiry dates. As these extended expiry dates have now passed, this benefit did not repeat in FY25.

Group revenue is weighted towards the second half of the year, reflecting key trading peaks including Christmas, Valentine's Day and UK Mother's Day. In FY25, H2 accounted for approximately 55% of Moonpig revenue, 50% at Greetz and 62% at Experiences (FY24: 55%; 51% and 61% respectively). This resulted in around 55% (FY24: 55%) of total Group revenue being generated in the second half.

Gifting mix of revenue

	Year ended 30 April 2025	Year ended 30 April 2024	Year-on-year growth %
Moonpig and Greetz cards revenue (£m)	**186.0**	172.0	8.1%
Moonpig and Greetz attached gifting revenue (£m)	**116.3**	110.8	5.0%
Moonpig and Greetz standalone gifting revenue (£m)	**8.6**	9.7	(11.1)%
Moonpig and Greetz revenue (£m)	**310.9**	292.5	6.3%
Experiences gifting revenue (£m)	**39.2**	48.6	(19.3)%
Group revenue (£m)	**350.1**	341.1	2.6%
Moonpig / Greetz total gifting revenue (£m)	**124.9**	120.5	3.7%
Moonpig / Greetz gifting revenue mix (%)	**40.2%**	41.2%	(0.9)%pts
Group gifting mix of revenue (%)	**46.9%**	49.6%	(2.7)%pts

Growth in attached gifting revenue reflected both the 4.1% increase in total orders and strengthening gift attach rate, which increased year-on-year by 0.2 percentage points in H1 FY25 and 0.7 percentage points in H2 FY25. In our card-first model, card order volume is a key driver of gifting revenue. Gift attach rate strengthened through the year, supported by the introduction of trusted brands such as Hotel Chocolat, The Entertainer and Next, as well as enhancements to our gifting recommendation algorithms. The continued expansion of the Plus membership base was also positive, as members have a higher average gift attach rate than non-members – a trend that holds even with their uplifted frequency of purchase.

Although standalone gifting revenue decreased year-on-year, this area is not a primary focus, as our strategy remains to prioritise growth in greeting cards and attached gifting to drive purchase frequency and customer lifetime value.

Gross margin rate

	Year ended 30 April 2025	Year ended 30 April 2024	Year-on-year growth %
Moonpig gross margin (%)	**57.0%**	55.2%	1.8%pts
Greetz gross margin (%)	**46.1%**	47.1%	(1.0)%pts
Moonpig and Greetz gross margin (%)	**55.3%**	53.8%	1.5%pts
Experiences gross margin (%)	**93.9%**	92.9%	1.0%pts
Group gross margin (%)	**59.6%**	59.4%	0.2%pts

Gross margin rate was 59.6% (FY24: 59.4%), supported by a 1.8 percentage point increase in Moonpig gross margin rate. This reflects improved intake margin from the commercial management of supplier relationships, leveraging AI to make more targeted use of promotional discounts and the successful implementation of efficiency projects at our UK facility including the insourcing of UK balloon fulfilment.

In addition, Moonpig and Greetz revenue includes £10.8m (FY24: £6.2m) from income streams with a 100% incremental gross margin rate, such as Plus renewal subscription fees, on-site marketing income and commissions earned on the sale of toys and digital gift experiences as agent. In due course, we expect this to exert some upward pressure on both gross profit margin and Adjusted EBITDA margin (whilst reducing reported revenue from gross transaction value to commission earned on sales as agent). At the same time, the impact of growth in gift attach rate will be to place downward pressure on headline gross margin rate due to adverse category mix, albeit driving growth in absolute gross profit.

The reduction in gross margin at Greetz reflects increased promotional intensity in gifting.

Experiences gross margin rate remained relatively consistent year-on-year at 93.9% (FY24: 92.9%). The high gross margin rate at Experiences reflects the nature of revenue recognised at this segment, which comprises agency commission earned from partners for the distribution of experiences, rather than gross transaction value. Cost of goods at the Experiences segment related primarily to packaging and distribution for those orders where the consumer elects to pay for a physical gift box rather than digital delivery.

Adjusted EBITDA margin

	Year ended 30 April 2025	Year ended 30 April 2024	Year-on-year growth %
Moonpig Adjusted EBITDA margin %	**31.2%**	30.1%	1.1%pts
Greetz Adjusted EBITDA margin %	**13.2%**	15.3%	(2.1)%pts
Moonpig and Greetz Adjusted EBITDA margin %	**28.4%**	27.5%	0.9%pts
Experiences Adjusted EBITDA margin %	**21.6%**	30.9%	(9.3)%pts
Group Adjusted EBITDA margin %	**27.6%**	28.0%	(0.4)%pts

The Group maintained Adjusted EBITDA margin rate at 27.6% (FY24: 28.0%). Excluding prior year excess non-redemption, there was an underlying improvement in Adjusted EBITDA margin rate, driven by Moonpig.

At Moonpig, higher Adjusted EBITDA margin rate reflected the pass-through of higher gross margin rate. In contrast, Greetz's Adjusted EBITDA margin decreased, impacted by lower revenue, operational leverage and higher promotional activity in gifting. At Experiences, the lower Adjusted EBITDA margin reflects prior year excess non-redemption, the year-on-year reduction in revenue and the negative impact of operational leverage.

Depreciation, amortisation, finance costs and taxation

	Year ended 30 April 2025	Year ended 30 April 2024	Year-on-year growth %
Adjusted EBITDA (£m)	**96.8**	95.5	1.3%
Depreciation and amortisation (£m)	**(18.9)**	(17.4)	8.6%
Adjusted EBIT (£m)	**77.8**	78.1	(0.3)%
Net finance costs (£m)	**(10.3)**	(19.9)	(48.0)%
Adjusted profit before taxation (£m)	**67.5**	58.2	16.0%
Adjusted taxation (£m)	**(16.0)**	(14.6)	9.6%
Adjusted profit after taxation (£m)	**51.5**	43.6	18.1%

Depreciation and amortisation (excluding acquisition-related amortisation) increased from £17.4m in FY24 to £18.9m in FY25, driven by continued investment in operational facilities and technology development. There has been no change in the Group’s accounting policies or practices relating to the capitalisation of costs as internally generated intangible assets. We continue to amortise internally generated intangible assets over a relatively short useful life of three years.

Net finance costs decreased to £10.3m (FY24: £19.9m):

- Interest on bank borrowings decreased from £12.3m in FY24 to £7.7m in FY25, reflecting lower drawdown on the Group's revolving credit facilities and lower margins following the refinancing of facilities in February 2024.
- Amortisation of fees decreased from £5.0m in FY24 to £0.8m in FY25, reflecting lower arrangement fees following the Group’s February 2024 refinancing to new revolving credit facilities.
- Imputed interest on the Experiences merchant liability balance increased from £1.6m in FY24 to £1.8m in FY25. The merchant accrual is treated as a financial liability and discounted to present value in accordance with IFRS 9.
- Interest on lease liabilities decreased from £0.9m in FY24 to £0.7m in FY25, reflecting scheduled lease repayments.
- There was a £0.9m year-on-year movement in net foreign exchange gain/(loss) on financing activities. The monetary foreign exchange impact of Euro-denominated intercompany loan balances resulted in the Group recognising a £0.5m gain (FY24: £0.4m loss), with the corresponding intercompany loss recognised in other comprehensive income in accordance with IAS 21. Also included in net foreign exchange on financing activities is a £0.1m gain (FY24: £nil) on the revaluation of the Group's euro denominated external debt.

The Adjusted taxation charge was £16.0m (FY24: £14.6m). Expressed as a percentage of Adjusted profit before taxation, the Adjusted effective tax rate was 23.7% (FY24: 25.1%). This was lower than prevailing rates of corporation tax due to the positive impact of deferred tax movements in relation to share-based payment arrangements, driven by increases in the Group's share price. The reported taxation charge was £14.0m (FY24: £12.2m), with the difference from Adjusted taxation relating to deferred tax on acquisition related intangible assets.

Alternative Performance Measures

The Group has identified certain Alternative Performance Measures (APMs) that it believes provide additional useful information on the performance of the Group. These APMs are not defined within IFRS and are not intended to substitute or be considered as superior to IFRS measures. Furthermore, these APMs may not necessarily be comparable to similarly titled measures used by other companies. The Group's Directors and management use these APMs in conjunction with IFRS measures when budgeting, planning and reviewing business performance.

	Year ended 30 April 2025			Year ended 30 April 2024		
	Adjusted Measures[1]	**Adjusting Items[1]**	**IFRS Measures**	**Adjusted Measures[1]**	**Adjusting Items[1]**	**IFRS Measures**
EBITDA (£m)	**96.8**	**(56.7)**	**40.1**	95.5	(3.5)	92.0
Depreciation and amortisation (£m)	**(18.9)**	**(7.9)**	**(26.8)**	(17.4)	(8.3)	(25.7)
EBIT (£m)	**77.8**	**(64.6)**	**13.3**	78.1	(11.8)	66.3
Finance costs (£m)	**(10.3)**	**–**	**(10.3)**	(19.9)	–	(19.9)
Profit before taxation (£m)	**67.5**	**(64.6)**	**3.0**	58.2	(11.8)	46.4
Taxation (£m)	**(16.0)**	**2.0**	**(14.0)**	(14.6)	2.4	(12.2)
Profit / (loss) after taxation (£m)	**51.5**	**(62.6)**	**(11.1)**	43.6	(9.4)	34.2
Basic earnings per share (pence)	**15.0p**	**(18.2)p**	**(3.2)p**	12.7p	(2.7)p	10.0p
EBITDA margin (%)	**27.6%**	**–**	**11.5%**	28.0%	–	27.0%
EBIT margin (%)	**22.2%**	**–**	**3.8%**	22.9%	–	19.4%
PBT margin (%)	**19.3%**	**–**	**0.9%**	17.1%	–	13.6%

1. See Adjusting Items at Note 6.
2. Figures in this table are individually rounded to the nearest £0.1m. As a result, there may be minor discrepancies in the sub-totals and totals due to rounding differences.

Adjusting Items comprise the following:

	Year ended 30 April 2025	**Year ended 30 April 2024**	**Year-on-year movement**
Pre-IPO share-based payment charges (£m)	**–**	(1.1)	1.1
Pre-IPO cash bonus awards (£m)	**–**	(2.4)	2.4
Acquisition amortisation (£m)	**(7.9)**	(8.3)	0.4
Impairment of goodwill (£m)	**(56.7)**	–	(56.7)
Operating profit impact of Adjusting Items (£m)	**(64.6)**	(11.8)	(52.8)
Taxation on pre-IPO share-based payment charges (£m)	**–**	(0.3)	0.3
Taxation on pre-IPO cash bonus awards (£m)	**–**	0.6	(0.6)
Taxation on acquisition amortisation (£m)	**2.0**	2.1	(0.1)
Taxation on impairment of goodwill (£m)	**–**	–	–
Taxation on Adjusting Items (£m)	**2.0**	2.4	(0.4)
Post-tax impact of Adjusting Items (£m)	**(62.6)**	(9.4)	(53.2)

Pre-IPO incentive scheme costs consist of £nil (FY24: £1.1m) share-based payment charges and £nil (FY24: £2.4m) cash bonus awards. These relate to one-off compensation arrangements, which fully vested at the end of the FY24 financial year. The Group treats these costs as Adjusting Items as they relate to one-off awards implemented whilst the Group was under private equity ownership and are not part of the Group's ongoing remuneration arrangements.

Acquisition amortisation of £7.9m (FY24: £8.3m) relates to the amortisation of intangible assets arising on the acquisition of the Greetz and Experiences segments. This is treated as an Adjusting Item as it does not reflect the underlying performance of the Group but is a result of the accounting requirements for a business combination under IFRS 3. Adjusted taxation excludes the credit to reported taxation relating to the unwind of the deferred taxation liability that was recognised alongside the intangible assets arising on business combination.

The non-cash impairment charge relating to Experiences CGU goodwill of £56.7m (FY24: £nil) has been classified as an Adjusting Item.

Determining which items should be classified as Adjusting Items involves the exercise of judgement. We do not classify the following as Adjusting Items on the basis that they are recurring costs associated with delivery of financial performance. However, we have observed that certain users of our accounts adopt a different approach in their own financial modelling and have therefore provided the information below to assist these users. The charge for FY25 reflects relatively low expected vesting for awards maturing in 2025. We currently expect materially higher vesting for subsequent awards, which is reflected in technical guidance.

	Year ended 30 April 2025	**Year ended 30 April 2024**
Share-based payment charges relating to operation of post-IPO Remuneration Policy[1] (£m)	**(3.5)**	(3.1)

1. Stated inclusive of employer's national insurance of £1.6m (FY24 £0.5m). The increase in national insurance reflects higher current share price and expected increase in the Group's share price through to the vesting date of each scheme.

Earnings per share (EPS)

Adjusted basic EPS for FY25 increased from 12.7p in FY24 to 15.0p in FY25, reflecting the 18.1% year-on-year increase in Adjusted profit after taxation and the impact of repurchasing and cancelling shares. After accounting for unvested employee share awards, Adjusted diluted earnings per share was 14.5p (FY24: 12.3p). Reported basic EPS loss per share of 3.2p (FY24: earnings 10.0p) reflects the non-cash impairment charge of £56.7m.

	Year ended 30 April 2025	**Year ended 30 April 2024**	**Year-on-year growth %**
Adjusted basic EPS (pence)	**15.0**	12.7	18.1%
Reported basic EPS (pence)	**(3.2)**	10.0	(132.0)%
Adjusted diluted EPS (pence)	**14.5**	12.3	17.9%
Reported diluted EPS (pence)	**(3.1)**	9.6	(132.3)%
Weighted average issued share capital (number of shares)	**342,548,159**	343,093,868	(0.2)%
Weighted average diluted share capital (number of shares)	**356,141,330**	354,787,805	0.4%
Closing issued share capital (number of shares)	**333,845,736**	343,310,015	(2.8)%

The calculation of basic EPS is based on the weighted average number of ordinary shares outstanding. The period-on-period movement reflects the repurchase and cancellation of 11,061,434 (2024: nil) shares during the year. This was offset in part by the issue of 1,597,155 (2024: 1,198,394) shares including 1,413,971 of shares to satisfy the final tranche of the pre-IPO award in July 2024 and 183,184 shares in respect of the operation of post-IPO remuneration policy. The Group expects to move during FY26 to satisfying share awards through market purchases rather than through dilution, subject to this remaining EPS-accretive at the prevailing share price.

Free Cash Flow

The Group is cash generative, with Free Cash Flow (FCF) of £66.1m (FY24: £61.0m). Adjusted operating cash flow, which includes capital expenditure, was £82.3m (FY24: £74.2m), representing Adjusted operating cash conversion rate of 85% (FY24: 78%).

	Year ended 30 April 2025			Year ended 30 April 2024		
	Adjusted Measures[1] £m	**Adjusting Items[1] £m**	**IFRS Measures £m**	**Adjusted Measures[1] £m**	**Adjusting Items[1] £m**	**IFRS Measures £m**
Profit before tax	**67.5**	**(64.6)**	**3.0**	58.2	(11.8)	46.4
Add back: net finance costs	**10.3**	**–**	**10.3**	19.9	–	19.9
Add back: depreciation and amortisation	**18.9**	**7.9**	**26.8**	17.4	8.3	25.7
EBITDA[2]	**96.8**	**(56.7)**	**40.1**	95.5	(3.5)	92.0
Adjust: impact of share-based payments[3]	**1.8**	**–**	**1.8**	3.1	1.1	4.2
Add back: (increase) / decrease in inventories	**(1.4)**	**–**	**(1.4)**	5.2	–	5.2
Add back: decrease in receivables	**0.7**	**–**	**0.7**	0.2	–	0.2
Add back: (decrease) in Experiences merchant accrual	**(6.8)**	**–**	**(6.8)**	(8.2)	–	(8.2)
Add back: increase / (decrease) in trade and other payables	**4.4**	**–**	**4.4**	(7.9)	–	(7.9)
Add back: impairment of goodwill	**–**	**56.7**	**56.7**	–	–	–
Add back: loss on foreign exchange	**–**	**–**	**–**	0.3	–	0.3
Less: research and development tax credits	**(0.2)**	**–**	**(0.2)**	(0.5)	–	(0.5)
Cash generated from operations	**95.4**	**–**	**95.4**	87.6	(2.4)	85.3
Less: income tax paid	**(16.2)**	**–**	**(16.2)**	(10.7)	–	(10.7)
Net cash generated from operating activities	**79.2**	**–**	**79.2**	76.9	(2.4)	74.6
Capital expenditure	**(13.3)**	**–**	**(13.3)**	(13.7)	–	(13.7)
Bank interest received	**0.2**	**–**	**0.2**	0.2	–	0.2
Net cash used in investing activities	**(13.1)**	**–**	**(13.1)**	(13.5)	–	(13.5)
Free Cash Flow (FCF)[2]	**66.1**	**–**	**66.1**	63.4	(2.4)	61.0
EBITDA to FCF conversion %[2]	**68%**		**165%**	66%		66%
Cash generated from operations	**95.4**	**–**	**95.4**	87.6	(2.4)	85.3
Less: capital expenditure	**(13.3)**	**–**	**(13.3)**	(13.7)	–	(13.7)
Less: loss on foreign exchange	**–**	**–**	**–**	(0.3)	–	(0.3)
Add back: pre-IPO cash bonus award	**–**	**–**	**–**	–	2.4	2.4
Add back: research and development tax credits	**0.2**	**–**	**0.2**	0.5	–	0.5
Operating cash flow[2]	**82.3**	**–**	**82.3**	74.2	–	74.2
Operating cash conversion %[2]	**85%**		**205%**	78%		81%

1. See Adjusting Items at Note 6.
2. EBITDA, Free Cash Flow (FCF), FCF conversion, operating cash flow and operating cash conversion are non-IFRS measures. FCF is defined as net cash generated from operating activities less net cash used in investing activities; it excludes proceeds from or payments for mergers and acquisitions but (as a practical expedient and for greater consistency with IAS 7 classification of cash flows) is not adjusted to exclude bank interest received. Adjusted operating cash conversion, which is defined as the ratio of operating cash flow to Adjusted EBITDA, informs management and investors about the cash operating cycle of the business and how efficiently operating profit is converted into cash.
3. The adjusted add-back relates to non-cash share-based payment charges of £1.8m (FY24: £3.1m) arising from the operation of post-IPO Remuneration Policy. The adjusting item add-back relates to pre-IPO remuneration of £nil (FY24: £1.1m).
4. Figures in this table are individually rounded to the nearest £0.1m, hence sub-totals and totals may not sum due to rounding differences.

Cash generated from operations was £95.4m (FY24: £85.3m):

- There was a year-on-year increase in inventory of £1.4m (FY24: £5.2m decrease), reflecting variation in intake within normal operational parameters. The FY24 decrease in inventory reflected one-time improvements on inventory management.
- There was a cash outflow from the Experiences merchant accrual of £6.8m (FY24: £8.2m outflow). The larger prior year movement reflects higher non-redemption.
- There was an inflow in respect of other trade and other payables of £4.4m (FY24: £7.9m outflow). This reflects higher trade creditors driven by timing of payments and growth in trading.

Capital expenditure remained broadly consistent year-on-year at £13.3m (FY24: £13.7m). This equates to 3.8% of revenue and is below the lower end of our medium-term target range. We expect higher capital expenditure in FY26 as a result of investment in automation at our operational facilities, together with a reversion in technology capitalisation rate to normal levels; during FY25 there have been a number of technology projects, such as the implementation of a new warehouse management system and the migration of Greetz to the same card payment processing platform as Moonpig, which comprise SaaS configuration. As these arrangements grant access to rather than control of the software, they do not give rise to an intangible asset under IFRS; accordingly, the associated payroll costs have been recognised as operating expenses.

Net debt

Net debt at 30 April 2025 improved to £96.0m (April 2024: £125.1m). Net debt is a non-GAAP measure and is defined as total borrowings, including lease liabilities, less cash and cash equivalents. The ratio of net debt to Adjusted EBITDA improved to 0.99x (30 April 2024: 1.31x), in line with our medium-term target of 1.0x.

	As at 30 April 2025	**As at 30 April 2024**
Borrowings[1] (£m)	**(95.1)**	(118.4)
Cash and cash equivalents (£m)	**12.6**	9.6
Borrowings less cash and cash equivalents (£m)	**(82.5)**	(108.8)
Lease liabilities (£m)	**(13.5)**	(16.3)
Net debt (£m)	**(96.0)**	(125.1)
Adjusted EBITDA (£m)	**96.8**	95.5
Net debt to Adjusted EBITDA (ratio)	**0.99:1**	1.31:1
Committed debt facilities (£m)	**180.0**	180.0

1. Borrowings are stated net of capitalised loan arrangement fees and hedging instrument fees of £1.8m as at 30 April 2025 (30 April 2024: £2.0m).

The Group's debt facilities consist of a £180.0m committed revolving credit facility which now has a maturity date of 28 February 2029. This reflects the exercise during the year of a one-year extension option, which was approved by the lenders. Borrowings are subject to interest at a margin over the reference interest rate, with margin of 200bps for net leverage of 1.0x or lower and 225bps for net leverage of 1.5x or lower, thereafter stepping up based on a margin ratchet until it reaches to 300bps for net leverage above 2.5x. Facility covenants are tested semi-annually and comprise a maximum net debt to Adjusted EBITDA ratio of 3.0x and minimum Adjusted EBITDA interest cover ratio of 3.5x.

The Group hedges its interest rate exposure on a rolling basis. As at the current date, several layered SONIA interest rate cap instruments are in place with strike rates of between 4.5% and 5.0% on total notional of £50.0m until 31 October 2026. Further details are set out at Note 20.

Capital allocation

In October 2024, we announced a new capital allocation policy, in anticipation of reaching our 1.0x net leverage target. This framework establishes a clear hierarchy: investment to support organic growth - including continued investment in technology development, customer acquisition and operational automation - remains the highest priority, followed by dividends, then selective, value-accretive M&A and finally the repurchase of shares where excess capital is available. Given our organic growth priorities are appropriately funded and M&A is not currently in contemplation, our capital allocation focus has shifted to returning excess capital to shareholders.

	Year ended 30 April 2025 £m	Year ended 30 April 2024 £m
Free Cash Flow[1]	**66.1**	61.0
Interest and fees paid on borrowings, leases and hedging instruments	**(8.8)**	(15.1)
Net repayment of borrowings	**(23.3)**	(54.7)
Net repayment of lease liabilities	**(3.2)**	(3.7)
Own shares repurchased for cancellation[2]	**(24.3)**	–
Dividends paid	**(3.4)**	–
Net cash used in financing activities	**(63.0)**	(73.6)
Differences on exchange	**(0.0)**	(0.2)
Increase/(decrease) in cash and cash equivalents in the year	**3.0**	(12.8)

1. Free Cash Flow (FCF) is a non-IFRS measure. FCF is defined as net cash generated from operating activities less net cash used in investing activities; it excludes proceeds from or payments for mergers and acquisitions but is not adjusted to exclude bank interest received (as a practical expedient and for greater consistency with IAS classification of cash flows).
2. The Group repurchased £25.0 million of its own shares for cancellation. Of this amount, £24.3 million was paid during the year to the corporate broker managing the share repurchase programme, with £0.7 million remaining payable as at 30 April 2025.

During FY25, the Company declared its first interim dividend of 1.0 pence. The Board is recommending a final dividend of 2.0 pence which, if approved at the 2025 AGM, will be paid on 20 November 2025 to shareholders on the register at the close of business on 24 October 2025. This would result in total dividends for FY25 of 3.0 pence (FY24: nil), equating to an estimated total dividend distribution of approximately £10.0m, dependent on issued share capital at the next record date and representing dividend cover of 5.0x. The Group has adopted a progressive dividend policy and intends that dividend per share will grow over time as earnings rise, targeting a cover ratio of 3x to 4x in the medium-term.

The Group’s inaugural share repurchase programme was completed in H2 FY25, purchasing a total of 11,377,505 (2024: nil) ordinary shares for total consideration of £25.0m, including transaction costs, of which £24.3m was a cash outflow in the year with the remainder included in year-end payables pending settlement. The average effective purchase price was 218.2 pence per share. All of the purchased shares were subsequently cancelled, with 11,061,434 cancelled as at 30 April 2025 and a further 316,017 shares transferred to the registrar for cancellation post year-end.

The Group has announced its intention to repurchase up to £60.0m of shares in FY26, subject to the normal authority to repurchase shares being granted at the 2025 AGM. The Company’s policy is to undertake share repurchases only where they are EPS enhancing and funded from excess capital. We intend for FY26 repurchases to be executed through two separate programmes of £30.0m each, in H1 and H2 respectively. All shares will be cancelled. During FY26 we intend to transition to settling obligations under employee share plans through market purchases of shares, subject to the prevailing share price.

Distributable reserves

As at 30 April 2025, the Company balance sheet held distributable reserves of £559.6m (April 2024: £582.5m), comprising retained earnings and the share-based payments reserve. The Company's ability to distribute capital depends on parent company reserves rather than consolidated reserves.

Whilst the consolidated balance sheet shows net liabilities, a key factor contributing to this is the £993.0m merger reserve – a debit balance in equity arising from the pre-IPO reorganisation, accounted for under common control merger accounting. Under this method, the assets and liabilities of the acquired entities were recognised at their existing carrying amounts rather than at fair value and no goodwill was recognised. The difference between the consideration paid and the book value of net assets acquired was recorded directly in equity within the merger reserve.

This accounting treatment was selected in preference to acquisition accounting in order to reflect the continuity of ownership and to present the Group's financial results on a basis that preserved the historical track record of the underlying trading entities. Had acquisition accounting been applied, the identifiable net assets would have been remeasured at fair value and a significant goodwill asset would likely have been recognised, increasing net assets and potentially resulting in the Group reporting positive net assets. However, such treatment would not have reflected the substance of a restructuring within a commonly controlled group.

Outlook for FY26

Since the start of the year, trading across the Group has been in line with our expectations, including strong Father’s Day trading. Moonpig is growing at double-digit levels and Greetz revenue is in line with the prior year. At Experiences, we continue to build on recent operational momentum.

For FY26, we expect Group Adjusted EBITDA to grow at a mid-single digit percentage rate and growth in Adjusted earnings per share at between 8% and 12%, with continued strong free cash flow generation funding ongoing investment in our growth strategy and consistent returns to shareholders.

With respect to the medium term, we continue to target double-digit revenue growth, Adjusted EBITDA margin of 25% to 27% and mid-teens growth in Adjusted EPS.

Technical guidance

Capital expenditure	We expect a year-on-year increase in the ratio of capex to revenue. Tangible and intangible capital expenditure in FY26 and FY27 is expected to sit in the upper half of our 4% to 5% medium-term target range. In both years, this includes mid-single digit millions of spend on property, plant and equipment for planned automation investments at our UK fulfilment centre.
Depreciation and amortisation	We expect depreciation and amortisation to be between £20m and £23m in FY26. This includes the depreciation of tangible fixed assets (including right-of-use assets) and amortisation of internally generated intangible assets. It excludes amortisation of acquisition-related intangible assets.
Net finance costs	We expect net finance costs to be broadly unchanged year-on-year at approximately £10m in FY26. This includes around £6m of interest on bank borrowings and £2m of deemed interest on the Experiences merchant accrual. The remainder relates to interest on leases and the amortisation of arrangement fees on debt facilities and hedging instruments. Beyond FY26, and excluding movements in reference rates, net finance costs are expected to rise in line with Adjusted EBITDA, as net debt increases to maintain net leverage of approximately 1.0x.
Taxation	We expect an effective tax rate of between 25% and 26% of reported profit before taxation in FY26 and thereafter. Adjusted taxation charge excludes credits relating to the unwind of deferred tax liabilities recognised on acquisition-related intangible assets, consistent with the treatment of the related acquisition amortisation.
Working capital	We expect the Experiences merchant accrual to vary broadly in line with trading performance at that segment. Other working capital balances are expected to reflect overall Group revenue growth trends.
Net leverage	We expect IFRS 16 net leverage to be approximately 1.0x as at 30 April 2026. It is likely to be modestly higher at 31 October 2025, reflecting the second-half weighting of Free Cash Flow and the distribution of capital returns across the year. The Group targets medium-term net leverage of around 1.0x, with flexibility to move beyond this as business needs require.

Consolidated Income Statement
For the year ended 30 April 2025

		2025			2024		
	Note	Before Adjusting Items £000	Adjusting Items (see Note 6) £000	Total £000	Before Adjusting Items £000	Adjusting Items (see Note 6) £000	Total £000
Revenue	3	**350,068**	**–**	**350,068**	341,141	–	341,141
Cost of sales	4	**(141,497)**	**–**	**(141,497)**	(138,608)	–	(138,608)
Gross profit		**208,571**	**–**	**208,571**	202,533	–	202,533
Selling and administrative expenses	5, 6	**(132,075)**	**(64,551)**	**(196,626)**	(125,796)	(11,802)	(137,598)
Other income	5	**1,344**	**–**	**1,344**	1,349	–	1,349
Operating profit		**77,840**	**(64,551)**	**13,289**	78,086	(11,802)	66,284
Finance income	7	**158**	**–**	**158**	198	–	198
Finance costs	7	**(10,489)**	**–**	**(10,489)**	(20,082)	–	(20,082)
Profit before taxation		**67,509**	**(64,551)**	**2,958**	58,202	(11,802)	46,400
Taxation	9	**(16,015)**	**1,977**	**(14,038)**	(14,616)	2,385	(12,231)
Profit/(loss) after taxation		**51,494**	**(62,574)**	**(11,080)**	43,586	(9,417)	34,169
Profit/(loss) attributable to:							
Equity holders of the Company		**51,494**	**(62,574)**	**(11,080)**	43,586	(9,417)	34,169
Earnings/(loss) per share (pence)							
Basic	11	**15.0**	**(18.2)**	**(3.2)**	12.7	(2.7)	10.0
Diluted	11	**14.5**	**(17.6)**	**(3.1)**	12.3	(2.7)	9.6

All activities relate to continuing operations.

The accompanying notes are an integral part of these condensed consolidated financials statements.

Consolidated statement of comprehensive income
For the year ended 30 April 2025

	Note	2025 £000	2024 £000
(Loss)/profit for the year	5	**(11,080)**	34,169
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(668)**	30
Cash flow hedge:			
Fair value changes in the year	23	**7**	715
Cost of hedging reserve	23	**95**	243
Fair value movements on cash flow hedges transferred to the profit or loss	23	**(841)**	(2,222)
Deferred tax on other comprehensive income	9	**185**	(95)
Total other comprehensive expense		**(1,222)**	(1,329)
Total comprehensive (expense)/income for the year		**(12,302)**	32,840

The accompanying notes are an integral part of these condensed consolidated financial statements.

Consolidated balance sheet
As at 30 April 2025

	Note	2025 £000	2024 £000
Non-current assets			
Intangible assets	12	**137,310**	203,591
Property, plant and equipment	13	**23,235**	26,900
Other non-current assets	15	**1,605**	1,611
Financial derivatives	23	**–**	164
		162,150	232,266
Current assets			
Inventories	14	**8,480**	7,094
Trade and other receivables	15	**5,858**	6,577
Current tax receivable		**844**	2,113
Financial derivatives	23	**5**	838
Cash and cash equivalents	16	**12,649**	9,644
		27,836	26,266
Total assets		**189,986**	258,532
Current liabilities			
Trade and other payables	17	**53,599**	51,465
Experiences merchant accrual		**40,374**	45,274
Provisions for other liabilities and charges	18	**2,252**	2,073
Current tax payable		**3,217**	4,211
Contract liabilities	19	**5,774**	4,008
Lease liabilities	20	**3,214**	3,257
Borrowings	20	**111**	73
		108,541	110,361
Non-current liabilities			
Trade and other payables	17	**2,564**	1,552
Borrowings	20	**94,985**	118,292
Lease liabilities	20	**10,284**	13,072
Deferred tax liabilities	9	**4,287**	8,903
Provisions for other liabilities and charges	18	**2,542**	2,516
		114,662	144,335
Total liabilities		**223,203**	254,696
Equity			
Share capital	22	**33,384**	34,331
Share premium	22	**278,083**	278,083
Merger reserve		**(993,026)**	(993,026)
Retained earnings		**609,589**	642,056
Other reserves	22	**38,753**	42,392
Total equity		**(33,217)**	3,836
Total equity and liabilities		**189,986**	258,532

The accompanying notes are an integral part of these condensed consolidated financial statements.

The condensed consolidated financial statements were approved by the Board of Directors of Moonpig Group plc (registered number 13096622) on 25 June 2025 and were signed on its behalf by:

Nickyl Raithatha
Chief Executive Officer
25 June 2025

Andy MacKinnon
Chief Financial Officer
25 June 2025

Consolidated statement of changes in equity
For the year ended 30 April 2025

	Note	Share capital £000	Share premium £000	Merger reserve £000	Retained earnings £000	Other reserves £000	Total equity £000
As at 1 May 2023		34,211	278,083	(993,026)	603,849	43,164	(33,719)
Profit for the year		–	–	–	34,169	–	34,169
Other comprehensive income/(expense):							
Exchange differences on translation of foreign operations		–	–	–	–	30	30
Cash flow hedges:							
Fair value changes in the year		–	–	–	–	715	715
Cost of hedging reserve		–	–	–	–	243	243
Fair value movements on cash flow hedges transferred to profit and loss		–	–	–	–	(2,222)	(2,222)
Deferred tax on other comprehensive income		–	–	–	–	(95)	(95)
Total comprehensive income for the year		–	–	–	34,169	(1,329)	32,840
Share-based payments	21, 22	–	–	–	–	4,179	4,179
Deferred tax on share-based payment transactions		–	–	–	–	536	536
Share options exercised	21, 22	–	–	–	4,038	(4,158)	(120)
Issue of ordinary shares	21, 22	120	–	–	–	–	120
As at 30 April 2024		34,331	278,083	(993,026)	642,056	42,392	3,836
Loss for the year		**–**	**–**	**–**	**(11,080)**	**–**	**(11,080)**
Other comprehensive (expense)/income:							
Exchange differences on translation of foreign operations		**–**	**–**	**–**	**–**	**(668)**	**(668)**
Cash flow hedges:							
Fair value changes in the year		**–**	**–**	**–**	**–**	**7**	**7**
Cost of hedging reserve		**–**	**–**	**–**	**–**	**95**	**95**
Fair value movements on cash flow hedges transferred to profit and loss		**–**	**–**	**–**	**–**	**(841)**	**(841)**
Deferred tax on other comprehensive income		**–**	**–**	**–**	**–**	**185**	**185**
Total comprehensive income/(expense) for the year		**–**	**–**	**–**	**(11,080)**	**(1,222)**	**(12,302)**
Share-based payments	**21, 22**	**–**	**–**	**–**	**–**	**1,839**	**1,839**
Deferred tax on share-based payment transactions	**9**	**–**	**–**	**–**	**–**	**1,773**	**1,773**
Current tax on share-based payment transactions		**–**	**–**	**–**	**–**	**32**	**32**
Share options exercised	**21, 22**	**–**	**–**	**–**	**6,270**	**(6,429)**	**(159)**
Issue of ordinary shares	**21, 22**	**159**	**–**	**–**	**–**	**–**	**159**
Own shares purchased for cancellation	**22**	**–**	**–**	**–**	**–**	**(25,000)**	**(25,000)**
Own shares cancelled	**22**	**(1,106)**	**–**	**–**	**(24,262)**	**25,368**	**–**
Dividends paid to equity holders	**10**	**–**	**–**	**–**	**(3,395)**	**–**	**(3,395)**
As at 30 April 2025		**33,384**	**278,083**	**(993,026)**	**609,589**	**38,753**	**(33,217)**

The accompanying notes are an integral part of these condensed consolidated financial statements.

Consolidated cash flow statement
For the year ended 30 April 2025

	Note	2025 £000	2024 £000
Cash flow from operating activities			
Profit before taxation		**2,958**	46,400
Adjustments for:			
Depreciation and amortisation	12, 13	**26,800**	25,729
Impairment of goodwill	6, 12	**56,700**	–
Loss on disposal of tangible assets		**–**	4
Loss on foreign exchange		**–**	272
Net finance costs	7	**10,331**	19,884
R&D tax credit		**(208)**	(503)
Share-based payment charges		**1,839**	4,179
Changes in working capital:			
(Increase)/decrease in inventories		**(1,386)**	5,192
Decrease in trade and other receivables		**724**	246
Increase/(decrease) in trade and other payables		**4,380**	(7,924)
(Decrease) in Experiences merchant accrual		**(6,753)**	(8,230)
Net decrease in trade and other receivables and payables with undertakings formerly under common control		**–**	14
Cash generated from operating activities		**95,385**	85,263
Income tax paid		**(16,184)**	(10,688)
Net cash generated from operating activities		**79,201**	74,575
Cash flow from investing activities			
Capitalisation of intangible assets	12	**(11,051)**	(12,782)
Purchase of property, plant and equipment	13	**(2,255)**	(965)
Bank interest received		**158**	198
Net cash used in investing activities		**(13,148)**	(13,549)
Cash flow from financing activities			
Proceeds from new borrowings	20	**–**	157,266
Payment of fees related to borrowings		**(400)**	(2,070)
Repayment of borrowings	20	**(23,343)**	(212,000)
Payment of interest rate cap premium		**(41)**	(150)
Interest paid on borrowings	20	**(8,508)**	(14,469)
Interest received on swap and cap derivatives		**841**	2,222
Lease liabilities paid	20	**(3,242)**	(3,742)
Interest paid on leases	20	**(660)**	(682)
Own shares purchased for cancellation	22	**(24,264)**	–
Dividends paid	10	**(3,395)**	–
Net cash used in financing activities		**(63,012)**	(73,625)
Net cash flows generated from/(used in) operating, investing and financing activities		**3,041**	(12,599)
Differences on exchange		**(36)**	(151)
Increase/(decrease) in cash and cash equivalents in the year		**3,005**	(12,750)
Net cash and cash equivalents as at 1 May		**9,644**	22,394
Net cash and cash equivalents as at 30 April		**12,649**	9,644

The accompanying notes are an integral part of these condensed consolidated financial statements.

Notes to the condensed consolidated financial statements

1 General information

Moonpig Group plc (the “Company” or “Parent Company”) is a public limited company incorporated in the United Kingdom under the Companies Act 2006, whose shares are traded on the London Stock Exchange. The condensed consolidated financial statements of the Company as at and for the year ended 30 April 2025 comprise the Company and its interests in subsidiaries (together referred to as the “Group”). The Company is domiciled in the United Kingdom and its registered address is Herbal House, 10 Back Hill, London, EC1R 5EN, England, United Kingdom. The Company’s LEI number is 213800VAYO5KCAXZHK83.

Basis of preparation
The condensed consolidated financial statements of Moonpig Group plc have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

All figures presented are rounded to the nearest thousand (£000), unless otherwise stated.

The condensed consolidated financial statements have been prepared on the going concern basis and under the historical cost convention modified by revaluation of financial assets and financial liabilities held at fair value through profit and loss.

Basis of consolidation
Subsidiaries are entities over which the Group has control. Control exists when the Group has existing rights that give it the ability to direct the relevant activities of an entity and has the ability to affect the returns the Group will receive as a result of its involvement with the entity. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the condensed consolidated financial statements from the date that control commences until the date that control ceases.

Intercompany transactions and balances between Group companies are eliminated on consolidation.

The financial statements of all subsidiary undertakings are prepared to the same reporting date as the Company. All subsidiary undertakings have been consolidated.

The subsidiary undertakings of the Company as at 30 April 2025 are detailed in Note 26.

Consideration of climate change
In preparing the condensed consolidated financial statements, management has considered the potential impacts of climate change, in the context of the TCFD disclosures within the Annual Report and Accounts for the year ended 30 April 2025, in the following areas:

- Going concern and viability of the Group over the next three years.
- Cash flow forecasts used in the impairment assessments of non-current assets including goodwill and other intangible assets.
- Carrying amount and useful economic lives of property, plant and equipment.

As part of our disclosure against the TCFD framework, we have undertaken quantitative scenario analysis of the Group's two principal transition-related climate risks which are disclosed within the Annual Report and Accounts for the year ended 30 April 2025. The risk of carbon taxation has been incorporated into the sensitivity analysis supporting the viability, going concern and impairment assessments. The risk of shifting consumer sentiment has not been modelled due to the significant uncertainty surrounding behavioural and market response assumptions. These uncertainties make any attempt to quantify a specific financial impact highly speculative and no such estimate can be meaningfully determined at this stage.

Going concern
The Group’s business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic report of the Annual Report and Accounts for the year ended 30 April 2025.

The Group has continued to generate positive operating cash flow and finished the year with liquidity headroom of £95,816,000 (2024: £69,378,000) comprising gross cash and unutilised committed facilities.

The Group's debt facilities consist of a £180,000,000 committed revolving credit facility (the "RCF"), which now has a maturity date of 28 February 2029. This reflects the exercise during the year of a one-year extension option, which was subsequently approved by the lenders. Amounts drawn under the RCF bear interest at a floating reference rate plus a margin. The reference rates are SONIA for loans in Sterling, EURIBOR for loans in Euros and SOFR for loans in US Dollars. As at 30 April 2025 the Group had drawn down £93,000,000 and €4,500,000 of the available revolving credit facility (2024: £113,000,000 and €8,500,000).

The Group hedges its interest rate exposure on a rolling basis. As at the current date, several layered SONIA interest rate cap instruments are in place with strike rates of between 4.5% and 5.0% on total notional of £50.0m until 31 October 2026. Further details are set out at Note 20.

1 General information continued

Going concern continued
The RCF is subject to two covenants, each tested at six-monthly intervals. The leverage covenant, measuring the ratio of net debt to last twelve months Adjusted EBITDA (excluding share-based payments, as specified in the facilities agreement), is a maximum of 3.0x for the remaining term of the facility. The interest cover covenant, measuring the ratio of last twelve months Adjusted EBITDA (excluding share-based payments, as specified in the facilities agreement) to the total of bank interest payable and interest payable on leases, is a minimum of 3.5x for the term of the facility. The Group has complied with all covenants from entering the RCF until the date of these condensed consolidated financial statements and is forecast to comply with these during the going concern assessment period.

To support the Group's assessment of going concern, detailed trading and cash flow forecasts, including forecast liquidity and covenant compliance, were prepared for the 24-month period to 30 April 2027.

The Directors have also reviewed the severe but plausible scenario described within the viability statement of the Annual Report and Accounts for the year ended 30 April 2025 in relation to the most severe of the two scenarios modelled. In this scenario, the Group continues to have sufficient resources to continue in operational existence. In the event that more severe impacts occur, controllable mitigating actions are available to the Group should they be required.

The Directors also reviewed the results of reverse stress testing performed throughout the going concern and viability periods, to provide an illustration of the extent to which existing customer purchase frequency and levels of new customer acquisition would need to deteriorate in order that their cumulative effect should either trigger a breach in the Group's covenants under the RCF or else exhaust liquidity. The probability of this scenario occurring was deemed to be remote given the resilient nature of the business model and strong cash conversion of the Group.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of signing these condensed consolidated financial statements. Accordingly, they continue to adopt the going concern basis in preparing these condensed consolidated financial statements, in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Critical accounting judgements and estimates
In preparing these condensed consolidated financial statements, management has made judgements and estimates that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas of judgement which have the greatest potential effect on the amounts recognised in the condensed consolidated financial statements are:

Capitalisation of internally generated assets
Certain costs incurred in the developmental phase of an internal project, which include the development of technology, app and platform enhancements and internally generated software and trademarks, are capitalised as intangible assets if a number of criteria are met. The costs of internally developed assets include capitalised expenses of employees working full time on software development projects, third-party firms and software licence fees. Management has made judgements and assumptions when assessing whether development meets these criteria and on measuring the costs attributed to such projects. The amounts of and movements in, such assets are set out in Note 12.

Useful life of internally generated assets
The estimated useful lives which are used to calculate amortisation of internally generated assets (the Group's platforms and applications) are based on the length of time these assets are expected to generate income and be of benefit to the Group. The uncertainty included in this estimate is that if the useful lives are estimated to differ from the actual useful lives of the intangible assets, this could result in accelerated amortisation in future years and/or impairments. The economic lives of internally generated intangible assets are estimated at three years. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. If the useful life of internally generated assets were estimated to be shorter or longer by one year, than the current useful life of three years, the net book value would (decrease)/increase by £(6,320,000)/£5,589,000 from the amount recognised as at 30 April 2025. The amounts of and movements in, such assets are set out in Note 12.

Experiences merchant accrual
At Experiences, which acts as an agent at the point of sale, the merchant accrual has been identified as a significant estimate. When a voucher is purchased, the expected value of future amounts that will become payable to merchant providers is recognised on the balance sheet. The Group takes into account historical redemption rates when estimating future payments to merchant providers, with the span between the upper and the lower ends of the range in historical trends for these rates equivalent to a £3,119,000 movement in the amount recognised in revenue. The estimates are trued up for actual customer utilisation rates in the year.

1 General information continued

Critical accounting judgements and estimates continued
Carrying amount of Experiences goodwill
Goodwill is tested annually for impairment. The critical accounting estimates made in the calculation of the recoverable amount are:

- Pre-perpetuity compound annual revenue growth rate of 2.7% (2024: 6.6%).
- Discount rate of 13.5% (2024: 15.1%).

Sensitivity analysis and further disclosure relating to these critical accounting estimates is set out in Note 12.

2 Summary of significant accounting policies

New standards, amendments and interpretations adopted from 1 May 2024
The following amendments are effective for the year beginning 1 May 2024:

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback).
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current).
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants).

These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 1 May 2024 and had no material impact on the year-end condensed consolidated financial statements of the Group.

New standards, amendments and interpretations not yet adopted
The following adopted IFRSs have been issued but have not been applied by the Group in these condensed consolidated financial statements. Their adoption is not expected to have material effect on the condensed consolidated financial statements unless otherwise indicated:

The following amendments are effective for the year beginning 1 May 2025:
- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange rates)

The following amendments are effective for the year beginning 1 May 2026:
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7)

The following amendments are effective for the year beginning 1 May 2027:
- IFRS 18 Presentation and Disclosure in the Financial Statements.

The Group is currently assessing the effect of these new accounting standards and amendments.

The principal accounting policies are set out below. Policies have been applied consistently, other than where new policies have been applied.

a) Foreign currency translation
The condensed consolidated financial statements are presented in Sterling, which is the Group's presentational currency and are rounded to the nearest thousand. The income and cash flow statements of Group undertakings that are expressed in other currencies are translated to Sterling using exchange rates applicable on the dates of the underlying transactions. Average rates of exchange in each year are used where the average rate approximates the relevant exchange rate on the date of the underlying transactions. Assets and liabilities of Group undertakings are translated at the applicable rates of exchange at the end of each year.

The differences between retained profits translated at average and closing rates of exchange are taken to the foreign currency translation reserve, as are differences arising on the retranslation to Sterling (using closing rates of exchange) of overseas net assets at the beginning of the year and are presented as a separate component of equity. They are recognised in the income statement when the gain or loss on disposal of a Group undertaking is recognised.

Foreign currency transactions are initially recognised in the functional currency of each entity in the Group using the exchange rate ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign currency assets and liabilities at year-end rates of exchange are recognised in the income statement. Foreign exchange gains or losses recognised in the income statement are included in operating profit or finance costs / income depending on the underlying transactions that gave rise to these exchange differences.

2 Summary of significant accounting policies continued

b) Revenue

The Group recognises revenue when it has satisfied its performance obligations to external customers and control of the goods has been transferred. The Group is principally engaged in the sale of greeting cards, physical gifts and gift experiences.

i) Sale of greeting cards and physical gifts

The Group generates revenue from the sale of greeting cards and physical gifts. Shipping and handling is not a separate performance obligation and any shipping fees charged to the customer are included in the transaction price. The sale of goods and any shipping and handling represents a single performance obligation which is satisfied upon delivery of the relevant goods and the transfer of control to that customer. Revenue is measured at the transaction price received net of value added tax and discounts and is reduced for provisions of customer returns and remakes based on the history of such matters. The cost of shipping is directly associated with generating revenue and therefore presented within cost of sales.

ii) Subscription revenue

The Group operates subscription membership schemes whereby customers are charged an upfront annual fee in return for discounts on subsequent greeting card purchases and other ancillary benefits over the following 12-month period. In addition, for new members, the initial greeting card purchase is typically subject to a discount.

Revenue is measured at the transaction price, which is the standalone selling price of the subscription membership. The membership contract gives rise to a performance obligation because it grants the customer an option to acquire additional goods and services and that option provides material rights that the customer would not receive without entering that contract. Revenue is recognised as goods or services are transferred in line with the exercise of those material rights.

The material rights provided to subscription members currently comprise:

- The discount on the initial greeting card purchase, in the first year of subscription membership only, to the extent that this exceeds the price that a customer could access through generally available discounts.
- Expected usage of the discount on subsequent card purchases, to the extent that this exceeds the price that a customer could otherwise access through generally available discounts.
- Expected usage of ancillary benefits, such as free postcards.

iii) Sale of gift experiences

The Group operates a platform for the distribution of gift experience vouchers that may be redeemed for a wide choice of experiences provided by third-party merchant partners and either gifted or kept for a consumer’s own use. Revenue is recognised when a consumer purchases a gift experience, acting as an agent at the point of sale. At this point, the Group’s obligations are substantially complete, subject to a provision for refunds as stipulated in the terms of the sale, as the Group’s merchant partners provide gift experience services, following redemption either through the Group’s websites or directly with the recipient’s chosen merchant partner.

The amount of revenue recognised primarily comprises the expected value of fees and any other income receivable in accordance with the Group’s contracts with third-party merchant partners, rather than the gross value of vouchers purchased. This includes an estimate of the revenue to be recognised in relation to vouchers which are not redeemed based on historical rates.

Each voucher is multi-purpose and can be exchanged for any experience at any point until redemption, on account of which merchants are not paid a share of the gross value of a voucher until after redemption. The expected value of future amounts that will become payable to merchants is included within Experiences merchant accrual on the balance sheet and estimates are trued up for actual customer redemption rates. See further information within critical accounting estimates below. Where non-redemption exceeds the expected rate for a cohort of vouchers, the Group recognises revenue from the additional unredeemed vouchers and derecognises the accrued merchant payable once its legal obligations to the merchants expire.

c) Supplier income

The Group enters into agreements with suppliers to share the costs and benefits of promotional activity and volume growth. The Group receives income from its suppliers based on specific agreements in place. Supplier income received is recognised as a deduction to costs of sales and directly affects the Group's reported margin. Marketing income earned from suppliers in return for media space is not included in the Group's definition of supplier income. The types of supplier income recognised by the Group and the associated recognition policies are:

i) Promotional contributions

Includes supplier contributions to promotional giveaways and other supplier funded promotional activity. Income is recognised as a deduction to cost of sales over the relevant promotional period. Income is calculated and invoiced at the end of the promotion period based on actual sales or according to fixed contribution arrangements. Contributions earned, but not invoiced, are accrued at the end of the relevant period and recognised within trade and other receivables.

2 Summary of significant accounting policies continued

c) Supplier income continued

ii) Volume-based rebates

Includes annual growth incentives and seasonal contributions. Annual growth incentives are calculated and invoiced at the end of the financial year, once earned, based on fixed percentage growth targets agreed for each supplier at the beginning of the year. They are recognised as a reduction in cost of sales in the year to which they related. Other volume-based rebates are agreed with the supplier and spread over the contract period to which they relate. Contributions earned, but not invoiced, are accrued at the end of the relevant periods. The uncollected amounts accrued are recognised in trade and other payables net against amounts owed to that supplier as the Group has the legal right and intention to offset these balances.

d) Taxation

Taxation is chargeable on the profits for the year, together with deferred taxation.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income.

Deferred taxation is provided in full using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax is determined using the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or deferred tax liability is settled. Deferred tax relating to items recognised outside of profit or loss is also recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in the statement of other comprehensive income or the statement of changes in equity.

e) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred which is measured at the acquisition date. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 Business Combinations are recognised at their fair values at the acquisition date.

Acquisition-related items such as legal or professional fees are recognised as expenses in the year in which the costs are incurred as Adjusting Items.

f) Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill relates to the Greetz and Experiences cash-generating units.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not subject to amortisation but is tested for impairment annually or whenever there is evidence that it may be required. Any impairment of goodwill is recognised immediately in the income statement and is not subsequently reversed. Goodwill is denominated in the currency of the acquired entity and revalued to the closing exchange rate at each reporting year date.

Goodwill in respect of subsidiaries is included in intangible assets. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

g) Intangible assets other than goodwill

i) Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at fair value at the acquisition date, provided they are identifiable and capable of reliable measurement.

Intangible assets with a finite useful life that are acquired separately are carried at cost less accumulated amortisation and impairment losses. These intangible assets are amortised on a straight-line basis over their remaining useful lives, consistent with the pattern of economic benefits expected to be received. The amortisation charge is included within selling and administrative expenses in the income statement.

ii) Internally generated research and development costs

Research expenditure is charged to the income statement in the year in which it is incurred. Development expenditure is charged to the income statement in the year it is incurred unless it meets the recognition criteria of IAS 38 Intangible Assets to be capitalised as an intangible asset.

2 Summary of significant accounting policies continued

g) Intangible assets other than goodwill continued

ii) Internally generated research and development costs continued

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and impairment losses. Amortisation begins when development is complete and the asset is available for use; the charge is included within selling and administrative expenses in the income statement. The estimated useful lives of separately acquired and internally generated assets are as follows:

	Straight-line amortisation period
Trademark	10 years
Technology and development costs	3 years
Customer relationships	1 to 12 years
Software	3 to 5 years
Other intangibles	2 to 4 years

h) Impairment of non-financial assets

Assets are reviewed for impairment whenever events indicate that the carrying amount of a cash-generating unit or the carrying amounts of non-financial assets may not be recoverable. In addition, assets that have indefinite useful lives are tested annually for impairment. An impairment loss is recognised to the extent that the carrying amount exceeds the higher of the asset's fair value less costs to sell and its value in use.

A cash-generating unit is the smallest identifiable group of assets that generates cash flows which are largely independent of the cash flows from other assets or groups of assets. At the acquisition date, any goodwill acquired is allocated to the relevant cash-generating unit or group of cash-generating units expected to benefit from the acquisition for the purpose of impairment testing of goodwill.

i) Impairment of financial assets held at amortised cost

As permitted by IFRS 9 Financial Instruments, loss allowances on trade receivables arising from the recognition of revenue under IFRS 15 Revenue from Contracts with Customers are initially measured at an amount equal to lifetime expected losses. Allowances in respect of loans and other receivables are initially recognised at an amount equal to 12-month expected credit losses. Allowances are measured at an amount equal to the lifetime expected credit losses where the credit risk on the receivables increases significantly after initial recognition.

j) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Depreciation is calculated on a straight-line basis to write off the assets over their useful economic life. No depreciation is provided on freehold land. The estimated useful lives are as follows:

	Straight-line depreciation period
Freehold property	25 years
Plant and machinery	4 years
Fixtures and fittings	4 years
Leasehold improvements	10 years or the unexpired term of lease if lower
Computer equipment	3 years
Right-of-use assets (plant and machinery, land and buildings)	Lease length

Climate change is not considered to materially impact the estimated useful lives of assets. Although extreme weather events could potentially damage manufacturing and distribution facilities, the probability of this occurring at the Group's most vulnerable location, Guernsey, is only 0.2% annually over the expected lifespan of the assets. Furthermore, the Group has flexibility in its production network and could shift production to other locations to mitigate any business interruptions.

k) Leased assets

Group as lessee

The Group records its lease obligations in accordance with the principles for the recognition, measurement, presentation and disclosures of leases as set out in IFRS 16. The Group applies IFRS 16 Leases to contractual arrangements which are, or contain, leases of assets and consequently recognises right-of-use assets and lease liabilities at the commencement of the leasing arrangement, with the asset included in Note 13 and the liabilities included as part of borrowings in Note 20. The nature of the Group's leases are offices, warehouses and printing machinery.

2 Summary of significant accounting policies continued

k) Leased assets continued

Group as lessee continued

Lease liabilities are initially recognised at an amount equal to the present value of estimated contractual lease payments at the inception of the lease, after taking into account any options to extend the term of the lease to the extent they are reasonably certain to be exercised. Lease commitments are discounted to present value using the interest rate implicit in the lease if this can be readily determined, or the applicable incremental rate of borrowing, as appropriate. Right-of-use assets are initially recognised at an amount equal to the lease liability, adjusted for initial direct costs in relation to the assets, then depreciated over the shorter of the lease term and their estimated useful lives.

The Group applies the recognition exemption for leases of low value and short-term leases of 12 months. These leases are not recognised on the balance sheet but expensed to the income statement on a straight-line basis over the lease term.

Group as lessor

The Group has entered into a sublease agreement as a lessor with respect to part of one of its leasehold properties. This is accounted for as an operating lease as the lease does not transfer substantially all the risks and rewards of ownership to the lessee.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

l) Inventories

Inventories include raw materials and finished goods and are stated at the lower of cost and net realisable value. Cost is based on the weighted average cost incurred in acquiring inventories and bringing them to their existing location and condition, which will include raw materials, direct labour and overheads, where appropriate.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, call deposits, cash held by payment service providers and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, with a maturity of three months or less. Cash equivalents relate to cash in transit from various payment processing intermediaries that provide receipting services to the Group.

For the purposes of the consolidated cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above and are shown net of bank overdrafts, which are included as current borrowings in the liabilities section on the balance sheet.

n) Financial instruments

The primary objective with regard to the management of cash of the Group's business model for managing financial assets is to protect against the loss of principal. Additionally, the Group aims to maximise liquidity by concentrating cash centrally; to align the maturity profile of external investments with that of the forecast liquidity profile; to wherever practicable, match the interest rate profile of external investments to that of debt maturities or fixings; and to optimise the investment yield within the Group's investment parameters.

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party. Such assets and liabilities are classified as current if they are expected to be realised or settled within 12 months after the balance sheet date. If not, they are classified as non-current. In addition, current liabilities include amounts where the entity does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Non-derivative financial assets are classified on initial recognition in accordance with the Group's business model as investments, loans and receivables, or cash and cash equivalents and accounted for as follows:

- **Loans and other receivables:** These are non-derivative financial assets with fixed or determinable payments that are solely payments of principal and interest on the principal amount outstanding, that are primarily held in order to collect contractual cash flows. These balances include trade and other receivables and are measured at amortised cost, using the effective interest rate method and stated net of allowances for credit losses.
- **Cash and cash equivalents:** Cash and cash equivalents include cash in hand and deposits held on call. Cash equivalents normally comprise instruments with maturities of three months or less at their date of acquisition. In the cash flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in the liabilities section on the balance sheet.

2 Summary of significant accounting policies continued

n) Financial instruments continued

Non-derivative financial liabilities, including borrowings and trade payables, are stated at amortised cost using the effective interest method. For borrowings, their carrying amount includes accrued interest payable. The effective interest method takes into account both the contractual cash flows and the time value of money. The carrying amount of the financial liability is adjusted over time to reflect the unwinding of the discount, whereby the discount represents the difference between the initial fair value and the amount paid or received. The discounting process involves applying a discount rate to the future cash flows associated with the financial liability. The effect of discounting is recognised as an interest expense in the profit and loss over the expected term of the financial liability.

Derivative financial instruments are used to manage risks arising from changes in interest rates relating to the Group's external debt. The Group does not hold or issue derivative financial instruments for trading purposes. The Group uses the derivatives to hedge highly probable forecast transactions and therefore, the instruments are designated as cash flow hedges.

Derivatives are initially recognised at fair value on the date a contract is entered into and are subsequently remeasured at their fair value at each reporting date. At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in the cash flows of the hedged item and hedging instrument are expected to offset each other.

The effective element of any gain or loss from remeasuring the derivative instrument is recognised in other comprehensive income (OCI) and accumulated in the hedging reserve (presented in "other reserves" in the statement of changes in equity). Any change in the fair value of time value of the derivative instrument is also recognised in OCI as part of cash flow hedges and accumulated in the cost of hedging reserve (presented in "other Reserves" in the statement of changes in equity). Any element of the remeasurement of the derivative instrument that does not meet the criteria for an effective hedge is recognised immediately in the Group income statement within finance costs.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in OCI at that time remains in OCI and is recognised when the forecast transaction is ultimately recognised in the income statement within finance costs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is recycled to the income statement. The full fair value of a hedging derivative is classified as a non-current asset or liability if the remaining maturity of the hedged item is more than 12 months or, as a current asset or liability, if the remaining maturity of the hedged item is less than 12 months.

o) Segmental analysis

The Group is organised and managed based on its segments (Moonpig, Greetz and Experiences). These are the reportable and operating segments for the Group as they form the focus of the Group's internal reporting systems and are the basis used by the chief operating decision maker (CODM), identified as the CEO and CFO, for assessing performance and allocating resources. The prices agreed between Group companies for intra-group services and fees are based on normal commercial practices which would apply between independent businesses.

p) Provisions

Provisions are recognised when either a legal or constructive obligation as a result of a past event exists at the balance sheet date, it is probable that an outflow of economic resources will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

q) Pensions and other post-employment benefits

The Group contributes to defined contribution pensions schemes and payments to these are charged as an expense and accrued over time.

r) Adjusting Items

Adjusting Items are significant items of income or expense which individually or, if of a similar type, in aggregate, are relevant to an understanding of the Group's underlying financial performance because of their size, nature or incidence. In identifying and quantifying Adjusting Items, the Group consistently applies a policy that defines criteria that are required to be met for an item to be classified as an Adjusting Item. These items are separately disclosed in the segmental analyses or in the notes to the condensed consolidated financial statements as appropriate.

The Group believes that these items are useful to users of the condensed consolidated financial statements in helping them to understand the underlying business performance and are used to derive the Group's principal non-GAAP measures of Adjusted EBITDA, Adjusted EBIT, Adjusted PBT and Adjusted EPS, which exclude the impact of Adjusting Items and which are reconciled from operating profit, profit before taxation and earnings per share.

2 Summary of significant accounting policies continued

s) Equity

Called-up share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Share premium

The amount subscribed for the ordinary shares in excess of the nominal value of these new shares is recorded in share premium. Costs that directly relate to the issue of ordinary shares are deducted from share premium net of corporation tax.

Merger reserve

The merger reserve of £993,026,000 arose as a result of the Group reorganisation undertaken prior to the Company's listing on the London Stock Exchange. This reorganisation was accounted for using common control merger accounting. Under this method, the assets and liabilities of the acquired entities were recognised at their existing carrying amounts rather than at fair value and no goodwill was recognised. The difference between the consideration paid and the book value of net assets acquired was recorded directly in equity within the merger reserve.

This accounting treatment was selected in preference to acquisition accounting in order to reflect the continuity of ownership and to present the Group's financial results on a basis that preserved the historical track record of the underlying trading entities. Had acquisition accounting been applied, the identifiable net assets would have been remeasured at fair value and a significant goodwill asset would likely have been recognised, increasing net assets and potentially resulting in the Group reporting positive net assets. However, such treatment would not have reflected the substance of a restructuring within a commonly controlled group.

The adoption of common control merger accounting has resulted in the recognition of a significant merger reserve on consolidation. The merger reserve is a debit balance within equity arising from the application of merger accounting and is a significant contributor to the Group's reported net liabilities position.

Other reserves

Share-based payment reserve

The share-based payment reserve is built up of charges in relation to equity-settled share-based payment arrangements which have been recognised within the consolidated income statement. Upon the exercise of share options the cumulative amount recognised in the share-based payment reserve is recycled to retained earnings, reflecting the transfer of value to the equity of the Company.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred and the cumulative net change in the fair value of time value on the cash flow hedging instruments.

Foreign currency translation reserve

The foreign currency translation reserve represents the accumulated exchange differences arising since the acquisition of Greetz from the impact of the translation of subsidiaries with a functional currency other than Sterling.

Own shares held reserve

The own shares held reserve represents the equity account used to record the cost of the Company's own shares that have been repurchased. These shares are not considered outstanding for the purposes of calculating earnings per share and do not carry voting rights or the right to receive dividends while held by the Company. Shares purchased for cancellation are included in the own shares held reserve until cancellation, at which point the consideration is transferred to retained earnings and the nominal value of the shares is transferred from share capital to the capital redemption reserve.

Capital redemption reserve

The capital redemption reserve reflects the nominal amount of shares bought back and cancelled.

t) Dividends

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s condensed consolidated financial statements in the period in which the dividend is approved by the Company’s shareholders in the case of final dividends, or the date at which they are declared in the case of interim dividends.

u) Earnings per share

The Group presents basic and diluted EPS for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. For diluted EPS, the weighted average number of ordinary shares is adjusted to assume conversion of all dilutive potential ordinary shares.

2 Summary of significant accounting policies continued

v) Share-based payments
The Group has equity-settled compensation plans.

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the Group's estimate of awards that will eventually vest. For plans where the vesting conditions are based on a market condition, such as total shareholder return, the fair value at date of grant reflects the probability that this condition will not be met and therefore is fixed thereafter irrespective of actual vesting.

Fair value is measured using the Black-Scholes and Monte Carlo option pricing model, except where vesting is subject to market conditions when the Stochastic option pricing model is used. A Chaffe model is used to value the holding period. The expected term used in the models has been adjusted based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

3 Segmental analysis

The CODM reviews external revenue, gross profit, Adjusted EBITDA and Adjusted EBIT to evaluate segment performance and allocate resources to the overall business. Adjusted EBITDA and Adjusted EBIT are non-GAAP measures. Adjustments are made to the statutory IFRS results to arrive at an underlying result which is in line with how the business is managed and measured on a day-to-day basis. Adjustments are made for items that are individually important in order to understand the financial performance. If included, these items could distort understanding of the performance for the year and the comparability between periods. Management applies judgement in determining which items should be excluded from underlying performance. See Note 6 for details of these adjustments.

The Group is organised and managed based on its segments, namely Moonpig (UK, Ireland, Australia and the US), Greetz (Netherlands) and Experiences (UK). These are the reportable and operating segments for the Group as they form the focus of the Group's internal reporting systems and are the basis used by the CODM for assessing performance and allocating resources.

Most of the Group's revenue is derived from the sale of cards, gifts and related services to consumers, or from the distribution of gift experiences acting as agent. No single customer accounted for 10% or more of the Group's revenue.

Finance income and expense are not allocated to the reportable segments, as this activity is managed centrally.

Revenue and trading profit are subject to seasonality and are weighted towards the second half of the year which includes the key peak periods for the business.

Segmental analysis

The following table shows revenue by segment that reconciles to the consolidated revenue for the Group.

	2025	**2024**
	£000	**£000**
Moonpig	**262,000**	241,326
Greetz	**48,854**	51,238
Experiences	**39,214**	48,577
Total external revenue	**350,068**	341,141

The following table shows revenue by key geography that reconciles to the consolidated revenue for the Group. The geographical split of revenue is based on the customer's country selection on the website or app at the time of order:

	2025	**2024**
	£000	**£000**
UK	**289,392**	281,217
Netherlands	**48,854**	51,238
Ireland	**4,781**	3,899
US	**2,169**	1,352
Australia	**4,872**	3,435
Total external revenue	**350,068**	341,141

3 Segmental analysis continued

Segmental analysis continued

The consolidated revenue for the Group was made up as follows:

	2025 £000	2024 £000
Recognised at a point in time	**343,949**	338,078
Recognised over time	**6,119**	3,063
Total external revenue	**350,068**	341,141

The Group's measure of segment profit and Adjusted EBIT, excludes Adjusting Items; refer to the APMs section of the Annual Report and Accounts for the year ended 30 April 2025 for calculation.

	2025 £000	2024 £000
Moonpig	**149,232**	133,275
Greetz	**22,537**	24,132
Experiences	**36,802**	45,126
Group gross profit	**208,571**	202,533
Moonpig	**81,869**	72,709
Greetz	**6,456**	7,815
Experiences	**8,464**	15,006
Group Adjusted EBITDA	**96,789**	95,530
Moonpig	**15,060**	14,498
Greetz[1]	**1,606**	1,884
Experiences[1]	**2,283**	1,062
Group depreciation and amortisation excluding amortisation on acquired intangibles[1]	**18,949**	17,444
Moonpig	**66,809**	58,211
Greetz[1]	**4,850**	5,931
Experiences[1]	**6,181**	13,944
Group Adjusted EBIT[1]	**77,840**	78,086

1. Excludes amortisation arising on Group consolidation of intangibles, which is classified as an Adjusting Item – see Note 6.

The following table shows Adjusted EBITDA and Adjusted EBIT that reconciles to the consolidated results of the Group.

	Note	2025 £000	2024 £000
Adjusted EBITDA		**96,789**	95,530
Depreciation and amortisation[1]		**(18,949)**	(17,444)
Adjusted EBIT		**77,840**	78,086
Adjusting items	6	**(64,551)**	(11,802)
Operating profit		**13,289**	66,284
Finance income	7	**158**	198
Finance costs	7	**(10,489)**	(20,082)
Profit before taxation		**2,958**	46,400
Taxation charge	9	**(14,038)**	(12,231)
(Loss)/profit for the year		**(11,080)**	34,169

1. Depreciation and amortisation excludes amortisation on acquired intangibles of £7,851,000 (2024: £8,285,000) included in Adjusting Items, see Note 6 for more information.

3 Segmental analysis continued

Segment analysis continued

The following table shows the information regarding assets by segment that reconciles to the consolidated Group.

	2025 £000	2024 £000
Moonpig		
Non-current assets[1]	**31,632**	37,075
Capital expenditure[2]	**(1,816)**	(786)
Intangible expenditure	**(7,968)**	(9,534)
Depreciation and amortisation	**(15,060)**	(14,498)
Greetz		
Non-current assets[1]	**20,480**	22,984
Capital expenditure[2]	**(537)**	(156)
Intangible expenditure	**(17)**	–
Depreciation and amortisation	**(3,359)**	(3,679)
Experiences		
Non-current assets[1]	**108,433**	170,433
Capital expenditure[2]	**(13)**	(23)
Intangible expenditure	**(3,066)**	(3,248)
Depreciation and amortisation	**(8,381)**	(7,552)
Impairment of goodwill (see Note 12)	**(56,700)**	–
Group		
Non-current assets[1]	**160,545**	230,492
Capital expenditure[2]	**(2,366)**	(965)
Intangible expenditure	**(11,051)**	(12,782)
Depreciation and amortisation	**(26,800)**	(25,729)
Impairment of goodwill (see Note 12)	**(56,700)**	–

1. Comprises intangible assets and property, plant and equipment (inclusive of ROU assets).
2. Includes ROU assets capitalised in each year.

4 Cost of Sales

	2025 £000	Re-presented 2024 £000
Wages and salaries	**(7,233)**	(7,972)
Inventories	**(50,236)**	(48,088)
Shipping and logistics	**(80,616)**	(79,084)
Depreciation on warehouses and machinery	**(3,412)**	(3,464)
Total cost of sales	**(141,497)**	(138,608)

1. In the prior year an amount of £5,778,000 has been reclassified from wages and salaries to shipping and logistics. This amount relates to the labour cost portion of the Group's third-party fulfilment costs.

5 Operating profit

Nature of expenses charged/(credited) to operating profit from continuing operations:

	2025 £000	2024 £000
Depreciation on property, plant and equipment	**(6,246)**	(6,610)
Amortisation of intangible fixed assets[1]	**(20,554)**	(19,119)
IPO-related bonuses	**–**	(2,367)
Share-based payment charges (excluding National Insurance)	**(1,839)**	(4,179)
Foreign exchange loss	**(135)**	(272)
Total net employment costs (excluding share-based payment expense)	**(53,799)**	(50,576)
Cost of inventories	**(50,236)**	(48,088)
Other income[2]	**1,344**	1,349
Auditors' remuneration:		
– Fees to auditors for the audit of these consolidated financial statements	**(860)**	(875)
– Fees to auditors' firms and associates for local audits	**(91)**	(88)
Total audit fees expense	**(951)**	(963)
Fees to auditors' firms and associates for other services:		
– Assurance services	**(123)**	(139)
	(1,074)	(1,102)

1. Amortisation of intangible assets includes a charge of £7,851,000 (2024: £8,285,000) relating to the amortisation on acquired intangibles, which is classified as an Adjusting Item as set out in Note 6.
2. Other income relates to the sublease of space at the Group's head offices at Herbal House to an entity formerly under common control.

During the year, PricewaterhouseCoopers LLP charged the Group as follows:

- In respect of audit-related assurance services: £122,000 (2024: £138,000).
- In respect of non-audit-related services: £1,000 (2024: £1,000).

6 Adjusting Items

	2025 £000	2024 £000
Pre-IPO bonus awards	**–**	(2,367)
Pre-IPO share-based payment charges	**–**	(1,150)
Impairment of goodwill (see Note 12)	**(56,700)**	–
Total adjustments to Adjusted EBITDA	**(56,700)**	(3,517)
Amortisation on acquired intangibles	**(7,851)**	(8,285)
Total adjustments to Adjusted EBIT	**(64,551)**	(11,802)

	2025 £000	2024 £000
Tax impact of pre-IPO cash bonus-awards	**–**	593
Tax impact of pre-IPO share-based payment charges	**–**	(293)
Tax impact of impairment of goodwill	**–**	–
Tax impact on amortisation of acquired intangibles	**1,977**	2,085
Tax impact of Adjusting Items	**1,977**	2,385

Pre-IPO bonus awards
Pre-IPO bonus awards are one-off cash-settled bonuses and the cash component of the Pre-IPO schemes, awarded in relation to the IPO process that completed during the year ended 30 April 2021. These awards fully vested on 30 April 2024.

Pre-IPO share-based payment charges
Pre-IPO share-based payment charges relate to the Legacy Schemes, Pre-IPO awards that were granted in relation to the IPO process that completed during the year ended 30 April 2021. These awards fully vested on 30 April 2024.

Amortisation on acquired intangibles
Acquisition amortisation is a non-cash expense relating to intangible assets. These expenses are excluded from Adjusted earnings because they are non-operational and thus distort the underlying performance of the business. The costs are adjusted for to present a clearer picture of the Group's ongoing operational performance.

Cash paid in the year in relation to Adjusting Items totalled £6,004,000 (2024: £4,057,000).

7 Finance income and costs

	2025 £000	2024 £000
Bank interest receivable	**158**	198
Interest payable on leases	**(660)**	(901)
Bank interest payable	**(7,705)**	(12,258)
Amortisation of capitalised borrowing costs	**(525)**	(4,604)
Amortisation of interest rate cap premium	**(297)**	(353)
Interest on discounting of financial liability	**(1,832)**	(1,568)
Net foreign exchange gain/(loss) on financing activities	**530**	(398)
Net finance costs	**(10,331)**	(19,884)

8 Employee benefit costs

The average monthly number of employees (including Directors) during the year was made up as follows:

	2025 Number	2024 Number
Administration	**544**	558
Production	**126**	150
Total employees	**670**	708

	2025 £000	Re-presented 2024 £000
Wages and salaries	**(54,745)**	(51,435)
Social security costs	**(6,469)**	(6,752)
Other pension costs	**(1,723)**	(2,487)
Share-based payment expense	**(1,839)**	(4,179)
Total gross employment costs	**(64,776)**	(64,853)
Staff costs capitalised as intangible assets	**9,138**	10,098
Total net employment costs	**(55,638)**	(54,755)

	2025 £000	2024 £000
Staff costs capitalised as intangible assets	**9,138**	10,098
Subcontractor costs capitalised as intangible assets	**1,913**	2,484
Total capitalisation of intangible assets (Note 12)	**11,051**	12,582

1. In the prior year an amount of £2,484,000 relating to subcontractor costs was included in the staff costs capitalised as intangible assets. This comparative figure has been re-presented to appropriately exclude these costs, whilst reconciling to total capitalisation of intangible assets.

The Group's employees are members of defined contribution pension schemes with obligations recognised as an operating cost in the income statement as incurred.

The Group pays contributions into separate funds on behalf of the employee and has no further obligations to employees. The risks associated with this type of plan are assumed by the member. Contributions paid by the Group in respect of the current year are included within the consolidated income statement.

9 Taxation

(a) Tax on profit
The tax charge is made up as follows:

	2025 £000	2024 £000
Profit before taxation	**2,958**	46,400
Current tax:		
UK corporation tax on profit for the year	**15,079**	13,057
Foreign tax charge	**1,415**	1,009
Adjustment in respect of prior years	**189**	(278)
Total current tax	**16,683**	13,788
Deferred tax:		
Origination and reversal of temporary differences	**(1,883)**	(1,746)
Adjustment in respect of prior years	**(762)**	189
Total deferred tax	**(2,645)**	(1,557)
Total tax charge in the income statement	**14,038**	12,231

(b) The tax assessed for the year is higher than the standard UK rate of corporation tax applicable of 25.0% (2024: 25.0%). The differences are explained below:

	2025 £000	2024 £000
Profit before taxation	**2,958**	46,400
Profit on ordinary activities multiplied by the UK tax rate	**739**	11,600
Effects of:		
Non-deductible impairment of goodwill	**14,176**	–
Expenses not deductible for tax purposes	**172**	336
Non-taxable income	**(420)**	(356)
Effect of higher tax rates in overseas territories	**9**	16
Adjustment in respect of prior years	**(573)**	(89)
Share-based payments	**(65)**	736
Other permanent differences	**–**	(12)
Total tax charge for the year	**14,038**	12,231

Taxation for other jurisdictions is calculated at the rates prevailing in each jurisdiction. The increase in the expenses not deductible for tax purposes relates to the impact of the non-cash impairment charge to Experiences goodwill.

The Adjusted effective tax rate is slightly below 25.0% of Adjusted profit before taxation, reflecting the positive impact of deferred taxation movements with respect to share-based payment arrangements, driven by increases in the Group's share price (refer to Note 6).

(c) Deferred tax:

	Accelerated capital allowances £000	Intangible assets £000	Share-based payments £000	Right-of-use assets £000	Lease liabilities £000	Other short-term temporary differences £000	Total £000
Balance as at 1 May 2024	**(1,866)**	**(9,500)**	**1,927**	**(1,183)**	**1,362**	**357**	**(8,903)**
Adjustments in respect of prior years	**666**	**(89)**	**138**	**–**	**–**	**47**	**762**
Adjustments posted through other comprehensive income (OCI)	**–**	**–**	**–**	**–**	**–**	**185**	**185**
Adjustments posted through equity	**–**	**–**	**1,773**	**–**	**–**	**–**	**1,773**
Current year credit/(charge) to income statement	**657**	**1,883**	**(124)**	**135**	**(113)**	**(556)**	**1,882**
Effects of movements in exchange rates	**–**	**14**	**–**	**4**	**(5)**	**1**	**14**
Balance as at 30 April 2025	**(543)**	**(7,692)**	**3,714**	**(1,044)**	**1,244**	**34**	**(4,287)**

9 Taxation continued

(c) Deferred tax continued:

	Accelerated capital allowances £000	Intangible assets £000	Share-based payments £000	Right-of-use assets £000	Lease liabilities £000	Other short-term temporary differences £000	Total £000
Balance as at 1 May 2023	(1,889)	(11,231)	1,192	(1,488)	1,629	809	(10,978)
Adjustments in respect of prior years	(54)	(245)	(256)	1	–	452	(102)
Adjustments posted through other comprehensive income (OCI)	–	59	–	–	–	(154)	(95)
Adjustments posted through equity	–	–	536	–	–	–	536
Current year credit/(charge) to income statement	77	1,923	455	304	(267)	(746)	1,746
Effects of movements in exchange rates	–	(6)	–	–	–	(4)	(10)
Balance as at 30 April 2024	(1,866)	(9,500)	1,927	(1,183)	1,362	357	(8,903)

The main rate of corporation tax for the UK is 25.0% (2024: 25.0%). For the Netherlands companies, the first €200,000 of profits are taxed at 19.0% (2024: 19.0%) and thereafter at 25.8% (2024: 25.8%).

10 Dividends

	2025 £000	2024 £000
Proposed		
Final dividend 2025: 2.0p (2024: £nil) per ordinary share of £0.10 each	**6,677**	–
	6,677	–
Amounts recognised as distributions to equity holders		
Paid		
Interim dividend 2025: 1.0p (2024: £nil) per ordinary share of £0.10 each	**3,395**	–
	3,395	–

The Directors recommend a final dividend for the year ended 30 April 2025 of 2.0 pence per share (2024: nil pence per share) subject to shareholder approval at the Annual General Meeting, with an equivalent final dividend charge of £6.7m based on the number of shares in issue at the end of the financial year (2024: £nil). The final dividend will be paid on 20 November 2025 to all shareholders registered at the close of business on 24 October 2025. In accordance with IAS 10 'Events after the Reporting Period', the proposed final dividend has not been accrued as a liability at 30 April 2025.

11 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period. For the purposes of this calculation, the weighted average number of ordinary shares in issue during the period was 342,548,159 (2024: 343,093,868). The period-on-period movement reflects the issue of 1,597,155 (2024: 1,198,394) shares during the period including the issue of 1,413,971 of shares to satisfy the Group’s obligation to its employees in relation to the vested second and final tranche of the pre-IPO award in July 2024, the issue of 93,822 shares in respect of vested long-term incentive plan awards, the issue of 86,371 shares in respect of vested deferred share bonus plan awards and 2,991 in respect of the share save scheme (see Note 21). The issue of shares was offset by 11,061,434 (2024: nil) shares being cancelled during the period through the operation of the Group's share repurchase scheme (see Note 22). The Group expects to move during FY26 to satisfying share awards through market purchases rather than through dilution, subject to this remaining EPS-accretive at the prevailing share price.

11 Earnings per share continued

Basic earnings per share continued

Shares in issue	2025 Number of shares	2024 Number of shares
As at 1 May	**343,310,015**	342,111,621
Issue of shares during the period	**1,597,155**	1,198,394
Shares cancelled during the period	**(11,061,434)**	–
As at 30 April	**333,845,736**	343,310,015

	2025 Number of shares	2024 Number of shares
Weighted average number of shares for calculating basic earnings per share	**342,548,159**	343,093,868

Diluted earnings per share
For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares. The Group has potentially dilutive ordinary shares arising from share options granted to employees under the share schemes as detailed in Note 21 of these condensed consolidated financial statements.

Adjusted earnings per share
Earnings attributable to ordinary equity holders of the Group for the year, adjusted to remove the impact of Adjusting Items and the tax impact of these; divided by the weighted average number of ordinary shares outstanding during the year.

	2025 Number of shares	2024 Number of shares
Weighted average number of shares for calculating basic earnings per share	**342,548,159**	343,093,868
Weighted average number of dilutive shares	**13,593,171**	11,693,937
Total number of shares for calculating diluted earnings per share	**356,141,330**	354,787,805

	2025 £000	2024 £000
Basic earnings attributable to equity holders of the Company	**(11,080)**	34,169
Adjusting Items (see Note 6)	**64,551**	11,802
Tax on Adjusting Items	**(1,977)**	(2,385)
Adjusted earnings attributable to equity holders of the Company	**51,494**	43,586

	2025	2024
Basic earnings per ordinary share (pence)	**(3.2)**	10.0
Diluted earnings per ordinary share (pence)	**(3.1)**	9.6
Basic earnings per ordinary share before Adjusting Items (pence)	**15.0**	12.7
Diluted earnings per ordinary share before Adjusting Items (pence)	**14.5**	12.3

12 Intangible assets

	Goodwill	Trademark	Technology and development costs[1]	Customer relationships[2]	Software	Total
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Cost						
As at 1 May 2024	**143,622**	**16,423**	**39,058**	**43,238**	**261**	**242,602**
Additions	**–**	**–**	**11,037**	**–**	**14**	**11,051**
Disposals	**–**	**–**	**(3,438)**	**–**	**–**	**(3,438)**
Foreign exchange	**(21)**	**(30)**	**–**	**(39)**	**–**	**(90)**
As at 30 April 2025	**143,601**	**16,393**	**46,657**	**43,199**	**275**	**250,125**
Accumulated amortisation and impairment						
As at 1 May 2024	**–**	**6,375**	**17,360**	**15,115**	**160**	**39,010**
Amortisation charge	**–**	**1,633**	**12,969**	**5,848**	**104**	**20,554**
Disposals	**–**	**–**	**(3,438)**	**–**	**–**	**(3,438)**
Impairment	**56,700**	**–**	**–**	**–**	**–**	**56,700**
Foreign exchange	**–**	**(4)**	**–**	**(7)**	**–**	**(11)**
As at 30 April 2025	**56,700**	**8,004**	**26,891**	**20,956**	**264**	**112,815**
Net book value as at 30 April 2025	**86,901**	**8,389**	**19,766**	**22,243**	**11**	**137,310**

1. Technology and development costs include assets under construction of £5,125,000 (2024: £4,735,000).
2. The opening balance of gross cost and accumulated depreciation has been restated to reflect the transfer between customer relationships and technology and development costs of historic Greetz technology costs and their subsequent disposal. The asset had a nil net book value as at 1 May 2023 and therefore there is no impact to the income statement or balance sheet in the current or prior periods.

	Goodwill	Trademark	Technology and development costs[1]	Customer relationships	Software	Total
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Cost						
As at 1 May 2023	143,811	16,683	30,255	48,071	691	239,511
Additions	–	–	12,582	–	200	12,782
Disposals	–	–	(3,779)	–	(627)	(4,406)
Foreign exchange	(189)	(260)	–	(466)	(3)	(918)
As at 30 April 2024	143,622	16,423	39,058	47,605	261	246,969
Accumulated amortisation and impairment						
As at 1 May 2023	–	4,851	10,160	13,486	559	29,056
Amortisation charge	–	1,653	10,979	6,252	235	19,119
Disposals	–	–	(3,779)	–	(627)	(4,406)
Foreign exchange	–	(129)	–	(255)	(7)	(391)
As at 30 April 2024	–	6,375	17,360	19,483	160	43,378
Net book value as at 30 April 2024	143,622	10,048	21,698	28,122	101	203,591

1. Technology and development costs include assets under construction of £4,735,000 (2023: £3,821,000).

12 Intangible assets continued

(a) Goodwill
Goodwill of £6,333,000 (2024: £6,353,000) relates to the acquisition of Greetz in 2018, recognised within the Greetz CGU. The movement between periods is a result of foreign exchange revaluation.

Goodwill of £80,568,000 (2024: £137,269,000) relates to the acquisition of Experiences and is allocated to the Experiences CGU. The movement between periods is a result of a non-cash impairment charge to the goodwill balance of £56,700,000.

(b) Trademark
£2,854,000 (2024: £3,744,000) of the asset balance are trademarks relating to the acquisition of Greetz with finite lives. The remaining useful economic life at 30 April 2025 on the trademark is 3 years 4 months (2024: 4 years 4 months).

£5,535,000 (2024: £6,304,000) of trademark assets relate to the brands valued on the acquisition of Experiences. The remaining useful economic life at 30 April 2025 on these trademarks is 7 years and 3 months (2024: 8 years and 3 months).

(c) Technology and development costs
Technology and development costs of £19,687,000 (2024: £21,227,000) relate to internally developed assets. The costs of these assets include capitalised expenses of employees working full-time on software development projects and third-party consulting firms. The remaining useful economic life of these assets at 30 April 2025 ranges from 1 month to 3 years (2024: 1 month to 3 years).

Technology and development costs of £79,000 (2024: £471,000) relate to the acquisition of Experiences and are allocated to the Experiences CGU. The remaining useful economic life at 30 April 2025 is 3 months (2024: 1 year and 3 months).

(d) Customer relationships
£5,098,000 (2024: £6,041,000) of the asset balance relates to the valuation of existing customer relationships held by Greetz on acquisition. The remaining useful economic life at 30 April 2025 on these customer relationships is 5 years 4 months (2024: 6 years 4 months).

£17,145,000 (2024: £22,081,000) of customer relationship assets relates to those valued on the acquisition of the Experiences segment. The remaining useful economic life at 30 April 2025 on these customer relationships is a range of 4 years and 3 months and 1 year and 3 months (2024: a range between 5 years 3 months and 2 years and 3 months).

(e) Software
Software intangible assets include accounting and marketing software purchased by the Group and software licence fees from third-party suppliers.

(f) Annual impairment tests
Goodwill
Goodwill is allocated to two cash-generating units (CGUs), namely the Greetz and Experiences segments, based on the smallest identifiable group of assets that generates cash inflows independently in relation to the specific goodwill. The recoverable amount of a CGU or group of CGUs is determined as the higher of its fair value less costs of disposal and its value in use (VIU). In determining VIU, estimated future cash flows are discounted to their present value.

The Group performed an annual test for impairment of Experiences CGU goodwill as at 30 April 2024, with the results, sensitivity analysis and narrative disclosure presented on pages 149-150 of the Group's Annual Report and Accounts for the year ended 30 April 2024. Based on the sensitivity analysis, the Directors identified the impairment assessment as a major source of estimation uncertainty that had a significant risk of resulting in a material adjustment to the carrying amount within the year ending 30 April 2025. In accordance with paragraph 125 of IAS 1, the FY24 year-end accounts therefore disclose the quantification of all key assumptions in the value in use estimates and the impact of plausible changes in each key assumption. As part of this disclosure, the sensitivity of Experiences' goodwill to forecast revenue growth was highlighted.

During H1 FY25, Experiences trading performance was identified as an indication that Experiences CGU goodwill may be impaired. The Group therefore estimated the value in use of the Experiences CGU as at 31 October 2024. This exercise determined that the carrying amount of Experiences goodwill exceeded its recoverable amount and an impairment charge of £56,700,000 was recognised in the consolidated income statement. The impairment charge has been classified as an Adjusting Item (see Note 6).

The Group performed its annual impairment test of the goodwill allocated to the Greetz and Experiences segments, as at 30 April 2025. The estimated future cash flows are based on the approved plan, including the FY26 budget, for the three years ending 30 April 2028. The estimated future cash flows are identical to those used for the viability statement. They have been extended by a further two years before applying a perpetuity using an estimated long-term growth rate. The assumed 5 year pre-perpetuity projections period represents a reduction of 12 months from 30 April 2024, aligning with the Group’s policy of reducing the period to 5 years. When estimating value in use, the Group does not include estimated future cash flows that are expected to arise from improving or enhancing the asset’s performance.

12 Intangible assets continued

(f) Annual impairment tests continued
Goodwill continued
As at 30 April 2025 there has been no amendment to the charge allocated to the Experiences CGU during the year. Based on the sensitivity analysis performed, the Directors identified the impairment assessment as a major source of estimation uncertainty that had a significant risk of resulting in a material adjustment to the carrying amount within the year ending 30 April 2026. In accordance with paragraph 125 of IAS 1, the FY25 year-end accounts therefore disclose the quantification of all key assumptions in the value in use estimates and the impact of plausible changes in each key assumption.

As at 30 April 2025, no impairment charge has been recognised for goodwill allocated to the Greetz CGU. The headroom over carrying amount is more than adequate and there is no reasonable possible change in key assumptions including those relating to future sales performance that would lead to an impairment.

Scenario analysis performed as part of the Group's disclosure against the Task Force on Climate-related Financial Disclosures (TCFD) (in the Annual report and Accounts for the year ended 30 April 2025) identified two transition-related climate risks with potential revenue and cost implications. The analysis considered three scenarios: business as usual (>4^{o}C by 2100); an unequal world (2.5^{o}C by 2100); and the Paris Agreement Aligned (1.5^{o}C by 2050), with the most material risks arising under the Paris Agreement Aligned scenario:

- For the risk of carbon taxation, we modelled the gross (unmitigated) financial impact under a Paris Agreement Aligned scenario, assuming the introduction of carbon taxes from FY28. Sensitivity analysis indicates headroom / (impairment) of £42.2m and (£12.6m) for Greetz and Experiences respectively.
- For the risk of shifting consumer sentiment, scenario analysis was conducted to evaluate the potential consequences of different climate policy pathways. However, the significant uncertainty surrounding behavioural and market response assumptions means that any attempt to quantify a specific financial impact would be highly speculative, hence no such estimate can be meaningfully determined at this stage.

The Group has identified the following key assumptions as having the most significant impact on the value in use calculation:

	Greetz CGU		Experiences CGU	
	2025	**2024**	**2025**	**2024**
Pre-tax discount rate (%)[1]	**13.7%**	13.5%	**13.5%**	15.1%
Revenue compound annual growth rate (CAGR)[2]	**4.8%**	8.8%	**2.7%**	6.6%

1. The discount rate is a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the cash generating units. The pre-tax discount rates used to calculate value in use are derived from the Group's post-tax weighted average cost of capital. The decline in the discount rate from the previous year is due to reducing the equity premium and betas used in the calculation.
2. The compound annual growth rate represents the average yearly growth rate over the pre-perpetuity period.
3. In the prior year, the pre-perpetuity period of six years was a key assumption as it exceeded the five-year maximum typically presumed under IAS 36, which requires justification for longer forecast horizons. In FY25 the pre-perpetuity period is five years and therefore no longer constitutes a key assumption.

The Group has performed sensitivity analysis to assess the impact of a change in each key assumption in the VIU. The relevant scenario, in relation to a revenue decrease, is consistent with the more severe downside scenario (plausible scenario 2) prepared in connection with the viability statement within the Annual Report and Accounts for the year ended 30 April 2025.

For the goodwill allocated to both the Experiences and Greetz CGU, the Group modelled the impact of a 1%pt increase in the discount rate and a 2.2%pts decrease in the compound annual growth rate was also modelled for Greetz and Experiences respectively. The decrease in forecasted revenue sensitivity pushed the growth rates out by one year with a reduction of 10% in Greetz and 10% in Experiences in the first year. The Group also modelled a scenario in which both of these changes arise concurrently.

The results of this sensitivity analysis are summarised below:

	Greetz CGU		Experiences CGU	
	2025	**2024**	**2025**	**2024**
	£m	**£m**	**£m**	**£m**
Original headroom	45.6	80.8	1.6	23.3
Headroom / (impairment) using a discount rate increased by 1%pt	39.1	70.4	(2.5)	11.1
Headroom / (impairment) using a 2.2%pts decrease in the forecast revenue CAGR (April 2024: 5.4%pts decrease in forecast CAGR)[1]	38.6	54.1	(11.8)	(36.7)
Headroom using a pre-perpetuity period reduced by one year[2]	N/a	76.3	N/a	8.2
Headroom / (impairment) combining both sensitivity scenarios detailed above	32.8	45.0	(15.2)	(54.6)

1. The compound annual growth rate represents the average yearly growth rate over the pre-perpetuity period.
2. In the prior year, the pre-perpetuity period of six years was a key assumption as it exceeded the five-year maximum typically presumed under IAS 36, which requires justification for longer forecast horizons. In FY25 the pre-perpetuity period is five years and therefore no longer constitutes a key assumption.

12 Intangible assets continued

(f) Annual impairment tests continued
Other finite-life intangible assets
At each reporting year date, the Group reviews the carrying amounts of other finite-life intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

13 Property, plant and equipment

	Freehold property £000	Plant and machinery £000	Fixtures and fittings £000	Leasehold improvements £000	Computer equipment £000	Right-of-use assets plant and machinery £000	Right-of-use assets land and buildings[1] £000	Total £000
Cost								
As at 1 May 2024	**3,905**	**7,202**	**4,055**	**10,535**	**2,547**	**1,536**	**22,160**	**51,940**
Additions	**68**	**1,032**	**198**	**514**	**443**	**–**	**111**	**2,366**
Modifications	**–**	**–**	**–**	**–**	**–**	**251**	**–**	**251**
Disposals	**(5)**	**–**	**(80)**	**(37)**	**(555)**	**–**	**(253)**	**(930)**
Foreign exchange	**(2)**	**(1)**	**(5)**	**(4)**	**(4)**	**–**	**(20)**	**(36)**
As at 30 April 2025	**3,966**	**8,233**	**4,168**	**11,008**	**2,431**	**1,787**	**21,998**	**53,591**
Accumulated depreciation and impairment								
As at 1 May 2024	**2,362**	**4,966**	**3,348**	**3,295**	**2,035**	**453**	**8,581**	**25,040**
Depreciation charge	**157**	**1,098**	**474**	**1,112**	**432**	**534**	**2,439**	**6,246**
Disposals	**(5)**	**–**	**(80)**	**(37)**	**(555)**	**–**	**(253)**	**(930)**
Foreign exchange	**–**	**2**	**(3)**	**1**	**(3)**	**3**	**–**	**–**
As at 30 April 2025	**2,514**	**6,066**	**3,739**	**4,371**	**1,909**	**990**	**10,767**	**30,356**
Net book value as at 30 April 2025	**1,452**	**2,167**	**429**	**6,637**	**522**	**797**	**11,231**	**23,235**

1. The opening balances for cost and accumulated depreciation have been updated to reflect the disposal of a lease that was not reflected in the prior year. The April 2024 balance sheet and income statement were unaffected, as the asset had a net book value of £nil at the time of disposal.

	Freehold property £000	Plant and machinery £000	Fixtures and fittings £000	Leasehold improvements £000	Computer equipment £000	Right-of-use assets plant and machinery £000	Right-of-use assets land and buildings £000	Total £000
Cost								
As at 1 May 2023	3,905	6,862	4,182	10,482	2,507	1,355	23,374	52,667
Additions	–	468	89	205	203	575	–	1,540
Remeasurements	–	–	–	–	–	–	162	162
Disposals	–	(115)	(170)	(89)	(136)	(366)	(220)	(1,096)
Foreign exchange	–	(13)	(46)	(63)	(27)	(28)	(222)	(399)
As at 30 April 2024	3,905	7,202	4,055	10,535	2,547	1,536	23,094	52,874
Accumulated depreciation and impairment								
As at 1 May 2023	2,207	3,958	2,886	2,310	1,642	187	7,166	20,356
Depreciation charge	155	1,130	661	1,079	547	455	2,583	6,610
Disposals	–	(115)	(170)	(89)	(136)	(181)	(220)	(911)
Foreign exchange	–	(7)	(29)	(5)	(18)	(8)	(14)	(81)
As at 30 April 2024	2,362	4,966	3,348	3,295	2,035	453	9,515	25,974
Net book value as at 30 April 2024	1,543	2,236	707	7,240	512	1,083	13,579	26,900

14 Inventories

	2025 £000	2024 £000
Raw materials and consumables	**1,368**	1,411
Finished goods	**9,704**	8,374
Total inventory	**11,072**	9,785
Less: Provision for write off of:		
Raw materials and consumables	**(204)**	(380)
Finished goods	**(2,388)**	(2,311)
Net inventory	**8,480**	7,094

15 Trade and other receivables

	2025 £000	2024 £000
Current:		
Trade receivables	**1,647**	1,569
Less: provisions	**(179)**	(243)
Trade receivables – net	**1,468**	1,326
Other receivables	**1,227**	2,523
Prepayments	**3,163**	2,728
Total current trade and other receivables	**5,858**	6,577

The movements in provisions are as follows:

	2025 £000	2024 £000
As at 1 May	**(243)**	(470)
Charge for the year	**–**	(32)
Utilised	**11**	172
Released	**53**	74
Foreign exchange	**–**	13
As at 30 April	**(179)**	(243)

Trade and other receivables are predominantly denominated in the functional currencies of subsidiary undertakings. There is no material difference between the above amounts for trade and other receivables (including loan receivables) and their fair value due to their contractual maturity of less than 12 months.

As permitted by IFRS 9, the Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics such as ageing of the debt and the credit risk of the customers. A historical credit loss rate is then calculated and adjusted to reflect expectations about future credit losses. A customer balance is written off when it is considered that there is no reasonable expectation that the amount will be collected and legal enforcement activities have ceased.

The Group's credit risk on trade and other receivables is primarily attributable to trade receivables. There are no significant concentrations of credit risk since the risk is spread over a large number of unrelated counterparties.

The Group's businesses implement policies, procedures and controls to manage customer credit risk. Outstanding balances are regularly monitored and reviewed to identify any change in risk profile.

The Group considers its credit risk to be low with Group revenue derived from electronic payment processes (including credit card, debit card, PayPal, iDEAL and Single Euro Payments Area) executed over the internet, with most receipts reaching the bank accounts in one to two days.

At 30 April 2025, the Group had net trade receivables of £1,468,000 (2024: £1,326,000). Trade receivables are reviewed regularly for any risk of impairment and provisions are booked where necessary.

15 Trade and other receivables continued

The maximum exposure to credit risk is the trade receivable balance at the year-end. The Group has assessed its exposure below:

Trade receivables ageing

	2025 £000	2024 £000
Up to 30 days	**1,407**	1,258
30 to 90 days	**22**	110
More than 90 days	**218**	201
Gross	**1,647**	1,569
Less: provisions	**(179)**	(243)
Net trade receivables	**1,468**	1,326

	2025 £000	2024 £000
Non-current other receivables:		
Other receivables	**1,605**	1,611
Total non-current trade and other receivables	**1,605**	1,611

Non-current other receivables relate to security deposits in connection with leased property.

16 Cash and cash equivalents

	2025 £000	2024 £000
Cash and bank balances	**9,777**	6,422
Cash equivalents	**2,872**	3,222
Total cash and cash equivalents	**12,649**	9,644

The carrying amount of cash and cash equivalents approximates their fair value. Cash equivalents relate to cash in transit from various payment processing intermediaries that provide receipting services to the Group.

Cash and cash equivalents are denominated in Pound Sterling or other currencies as shown below.

	2025 £000	2024 £000
Pound Sterling	**8,180**	6,303
Euro	**3,777**	2,981
Australian Dollar	**194**	190
US Dollar	**498**	170
Total cash and cash equivalents	**12,649**	9,644

17 Trade and other payables

	2025 £000	2024 £000
Current		
Trade payables	**20,671**	14,440
Other payables	**1,116**	5,515
Other taxation and social security	**8,126**	8,710
Accruals	**23,686**	22,800
Total current trade and other payables	**53,599**	51,465

Trade and other payables are predominantly denominated in the functional currencies of subsidiary undertakings. There are no material differences between the above amounts for trade and other payables and their fair value due to the short maturity of these instruments.

Payables balances relating to the Experiences merchant accrual are separately disclosed on the face of the balance sheet.

17 Trade and other payables continued

	2025 £000	2024 £000
Non-current		
Other payables	**638**	638
Other taxation and social security	**1,926**	914
Total non-current trade and other payables	**2,564**	1,552

18 Provisions for other liabilities and charges

	Other provisions £000	Dilapidations provisions £000	Total £000
As at 1 May 2024	**2,255**	**2,334**	**4,589**
Charged in the year	**1,469**	**–**	**1,469**
Utilisation	**(390)**	**(22)**	**(412)**
Release of provisions in the year	**(692)**	**(156)**	**(848)**
Foreign exchange	**(1)**	**(3)**	**(4)**
As at 30 April 2025	**2,641**	**2,153**	**4,794**
Analysed as:			
Current	**2,252**	**–**	**2,252**
Non-current	**389**	**2,153**	**2,542**

	Other provisions £000	Dilapidations provisions £000	Total £000
As at 1 May 2023	1,461	2,569	4,030
Charged in the year	891	–	891
Utilisation	(74)	(215)	(289)
Release of provisions in the year	(15)	–	(15)
Foreign exchange	(8)	(20)	(28)
As at 30 April 2024	2,255	2,334	4,589
Analysed as:			
Current	1,894	179	2,073
Non-current	361	2,155	2,516

Current provisions
Includes other provisions primarily relating to royalty provisions, a refund provision and the current portion of the employee sabbatical provision. The above provisions are due to be settled within the year.

Non-current provisions
Includes dilapidations provisions for the Herbal House head office, the Almere facility in the Netherlands and the Tamworth facility in the UK. These are classified as non-current due to their expected settlement dates, with the earliest lease expiry among the three locations occurring in 2027. The balance also includes the non-current portion of the employee sabbatical provision.

19 Contract liabilities

In all material respects, current deferred revenue at 30 April 2024 and 30 April 2025 was recognised as revenue during the respective subsequent year. Other than business-as-usual movements there were no significant changes in contract liability balances during the year. Deferred revenue includes the value of advanced orders for future dispatch, the value of goods in transit that are dispatched but not yet delivered and subscription income that has been received and is to be recognised as future revenue in line with the exercise of material rights by subscription members.

20 Borrowings

	2025 £000	2024 £000
Current		
Lease liabilities	**3,214**	3,257
Borrowings	**111**	73
Non-current		
Lease liabilities	**10,284**	13,072
Borrowings	**94,985**	118,292
Total borrowings and lease liabilities	**108,594**	134,694

The Group's debt facilities consist of a £180,000,000 committed revolving credit facility (the "RCF"), which now has a maturity date of 28 February 2029. This reflects the exercise during the year of a one-year extension option, which was subsequently approved by the lenders. Amounts drawn under the RCF bear interest at a floating reference rate plus a margin. The reference rates are SONIA for loans in Sterling, EURIBOR for loans in Euros and SOFR for loans in US Dollars. As at 30 April 2025 the Group had drawn down £93,000,000 and €4,500,000 of the available revolving credit facility (2024: £113,000,000 and €8,500,000). There was a foreign exchange impact on borrowings during the year of £90,000 (2024: £nil).

The amounts drawn under the RCF bear interest at a floating reference rate plus a margin. The reference rates are SONIA for loans in Sterling, EURIBOR for loans in Euros and SOFR for loans in US Dollars. The Group hedges its interest rate exposure on a rolling basis. As at the date of this report, layered SONIA interest rate cap instruments are in place with strike rates of between 4.5% and 5.0% on total notional of £50.0m until 31 October 2026:

Derivative type	Execution dates	Notional amount	Start date	Maturity date	Underlying asset	Strike rate
Interest rate cap	1 August 2022	£50.0m	1/8/2022	30/11/2024	SONIA	3.00%
Interest rate cap	3 April 2024	£50.0m	29/11/2024	31/5/2025	SONIA	5.00%
		£35.0m	1/6/2025	28/11/2025		
Interest rate cap	30 January 2025	£15.0m	31/5/2025	28/11/2025	SONIA	4.50%
		£35.0m	29/11/2025	30/4/2026		
Interest rate cap	2 June 2025	£15.0m	29/11/2025	30/4/2026	SONIA	4.50%
		£50.0m	1/5/2026	30/10/2026		

The RCF is subject to two covenants, each tested at six-monthly intervals. The leverage covenant, measuring the ratio of net debt to last twelve months Adjusted EBITDA (excluding share-based payments, as specified in the facilities agreement), is a maximum of 3.5x at April 2025 and 3.0x for the remaining term of the facility. The interest cover covenant, measuring the ratio of last twelve months Adjusted EBITDA (excluding share-based payments, as specified in the facilities agreement) to the total of bank interest payable and interest payable on leases, is a minimum of 3.5x for the term of the facility. The Group has complied with all covenants from entering the RCF until the date of these condensed consolidated financial statements and is forecast to comply with these during the going concern assessment period.

Borrowings are repayable as follows:

	2025 £000	2024 £000
Within one year	**111**	73
Within one and two years	**–**	–
Within two and three years	**–**	–
Within three and four years	**94,985**	118,292
Within four and five years	**–**	–
Beyond five years	**–**	–
Total borrowings[1]	**95,096**	118,365

1 Total borrowings include £111,169 (2024: £73,000) in respect of accrued unpaid interest and are shown net of capitalised borrowing costs of £1,848,000 (2024: £1,973,000).

20 Borrowings continued

The table below details changes in liabilities arising from financing activities, including both cash and non-cash changes.

	Borrowings £000	Lease liabilities £000	Total £000
As at 1 May 2023	170,520	19,525	190,045
Cash flow	(71,271)	(4,424)	(75,695)
Foreign exchange	–	(129)	(129)
Interest and other[1]	19,116	1,357	20,473
As at 30 April 2024	118,365	16,329	134,694
Cash flow	**(32,251)**	**(3,902)**	**(36,153)**
Foreign exchange	**(90)**	**48**	**(42)**
Interest and other[1]	**9,072**	**1,023**	**10,095**
As at 30 April 2025	**95,096**	**13,498**	**108,594**

1. Interest and other within borrowings comprises amortisation of capitalised borrowing costs and the interest expense in the year. Interest and other within lease liabilities comprises modifications to lease liabilities as well as interest on leases as disclosed in Note 7.

21 Share-based payments

Pre-IPO awards

The original awards were granted on 27 January 2021 and comprised two equal tranches, with the vesting of both subject to the achievement of revenue and Adjusted EBITDA performance conditions for the year ended 30 April 2023 and for participants to remain employed by the Company over the vesting period. The Group exceeded maximum performance for both measures. Accordingly, the first tranche vested on 30 April 2023 and was paid in July 2023; the second tranche vested on 30 April 2024 and was paid in May 2024. Given the constituents of the scheme, no attrition assumption was applied. The scheme rules provided that when a participant left employment, any outstanding award may have been reallocated to another employee (excluding the Executive Directors). All previous awards vested on 30 April 2024 and all shares outstanding at the beginning of the period were exercised in FY25. There were no further shares granted during the period and this incentive scheme has now ended.

Pre-IPO awards	2025 Number of shares	2024 Number of shares
Outstanding as at 1 May	**1,413,971**	2,616,716
Granted	**–**	–
Exercised	**(1,413,971)**	(1,165,744)
Forfeited	**–**	(37,001)
Outstanding as at 30 April	**–**	1,413,971
Exercisable as at 30 April	**–**	1,413,971

The weighted average market value per ordinary share of Pre-IPO options exercised during the year was £1.77 (2024: £1.48).

Long-Term Incentive Plan (LTIP)

The first grant of these awards was made on 1 February 2021 and vested on 2 July 2024. Half of the share awards granted are subject to a relative Total Shareholder Return (TSR) performance condition measured against the constituents of the FTSE 250 Index (excluding Investment Trusts). The other half of the share awards granted are subject to an Adjusted basic pre-tax EPS performance condition (calculated as Adjusted profit before taxation, divided by the undiluted weighted average number of ordinary shares outstanding during the year). Participants are also required to remain employed by the Group over the vesting period, with a further holding period applying until the fifth anniversary of grant for the Executive Directors. An attrition rate adjustment has been applied to reflect the expected number of participants who will forfeit their awards before vesting. This estimate is based on historical attrition rates and is reviewed at each reporting date. The share-based payment charge is adjusted accordingly, with any changes recognised in the income statement. Activity in relation to these awards during the period included new awards granted on 2 July 2024 under the existing scheme which will vest on 2 July 2027 subject to the performance conditions being met.

Consistent with the existing scheme, participants are required to remain employed by the Group over the vesting period. Vesting may arise sooner where a former employee is a “good leaver” and the Remuneration Committee exercises discretion to permit vesting after cessation of employment.

21 Share-based payments continued

Long-Term Incentive Plan (LTIP) continued
The outstanding number of share options at the end of the year is 11,514,466 (2024: 9,326,856), with an expected maximum vesting profile (stated net of forfeitures since award) as follows:

	FY26	FY27	FY28	Total
Share options granted on 5 July 2022	1,435,771	–	–	1,435,771
Share options granted on 25 October 2022	258,842	–	–	258,842
Share options granted on 4 July 2023	–	2,944,060	–	2,944,060
Share options granted on 19 September 2023	–	3,191,310	–	3,191,310
Share options granted on 2 July 2024	–	–	3,684,483	3,684,483

The below tables give the assumptions applied to the options granted in the period and the shares outstanding:

	July 2024
Valuation model	Stochastic and Black-Scholes and Chaffe
Weighted average share price (pence)	182.00
Exercise price (pence)	0.00
Expected dividend yield	0%
Risk-free interest rate	4.45%/4.23%
Volatility	46.16/44.87%
Expected term (years)	3.00/2.00
Weighted average fair value (pence)	119.26/182.00
Attrition	0%
Weighted average remaining contractual life (years)	2.97

LTIP awards	2025 Number of share options	2024 Number of share options
Outstanding as at 1 May	**9,326,856**	3,064,998
Granted	**3,962,477**	6,991,966
Exercised	**(93,822)**	–
Forfeited	**(1,681,045)**	(730,108)
Outstanding as at 30 April	**11,514,466**	9,326,856
Exercisable as at 30 April	**–**	–

The weighted average market value per ordinary share of LTIP options exercised during the year was £1.83 (2024: N/a).

Deferred Share Bonus Plan (DSBP)
The Group has bonus arrangements in place for Executive Directors and certain key management personnel within the Group whereby a proportion of the annual bonus is subject to deferral over a period of three years with vesting subject to continued service only. Vesting may arise sooner where a former employee is a "good leaver" and the Remuneration Committee exercises discretion to permit vesting at cessation of employment. Given the constituents of the scheme, no attrition assumption was applied.

The outstanding number of share options at the end of the year is 540,885 (2024: 386,842), with an expected vesting profile (stated net of forfeitures since award) as follows:

	FY26	FY27	FY28	Total
Share options granted on 5 July 2022	255,593	–	–	255,593
Share options granted on 4 July 2023	–	44,878	–	44,878
Share options granted on 2 July 2024	–	–	240,414	240,414

21 Share-based payments continued

Deferred Share Bonus Plan (DSBP) continued

	July 2024
Valuation model	Black-Scholes
Weighted average share price (pence)	182.00
Exercise price (pence)	0.00
Expected dividend yield	0%
Risk-free interest rate	N/a
Volatility	N/a
Expected term (years)	3.00
Weighted average fair value (pence)	182.00
Attrition	0%
Weighted average remaining contractual life (years)	3.42

DSBP	2025 Number of share options	2024 Number of share options
Outstanding as at 1 May	**386,842**	392,289
Granted	**240,414**	47,164
Exercised	**(86,371)**	(32,650)
Forfeited	**–**	(19,961)
Outstanding as at 30 April	**540,885**	386,842
Exercisable as at 30 April	**–**	–

The weighted average market value per ordinary share of DSBP options exercised during the year was £2.05 (2024: £1.59).

Save As You Earn (SAYE)
The Group operates a SAYE scheme for all eligible employees, under which participants are granted an option to purchase ordinary shares in the Company at an option price set at a 20% discount to the average market price over the three days prior to the invitation date. Options vest after a three-year period, provided the participant enters into a savings contract with fixed monthly contributions for the same duration. The FY22 awards were granted on 3 September 2021 and vested on 1 October 2024, with a six-month exercise period following vesting. These awards are subject only to a continued employment condition over the vesting period. During the year, the Group granted FY25 awards on 26 July 2024, which will potentially vest on 1 October 2027 on the same terms.

The outstanding number of share options at the end of the year is 1,059,706 (2024: 1,009,635), with an expected vesting profile (stated net of forfeitures since award) as follows:

	FY26	FY27	FY28	Total
Share options granted on 8 September 2022	146,995	–	–	146,995
Share options granted on 28 July 2023	–	670,001	–	670,001
Share options granted on 26 July 2024	–	–	242,710	242,710

The below tables give the assumptions applied to the options granted in the year and the shares outstanding:

	July 2024
Valuation model	Black-Scholes
Weighted average share price (pence)	215.50
Exercise price (pence)	150.00
Expected dividend yield	0%
Risk-free interest rate	4.21%
Volatility	43.99%
Expected term (years)	3.43
Weighted average fair value (pence)	90.87
Attrition	15%
Weighted average remaining contractual life (years)	2.17

21 Share-based payments continued

Save As You Earn (SAYE) continued

SAYE	2025 Number of share options	2025 Weighted average exercise price (£)	2024 Number of share options	2024 Weighted average exercise price (£)
Outstanding as at 1 May	**1,009,635**	**1.37**	783,819	1.78
Granted	**272,636**	**1.50**	842,552	1.17
Exercised	**(2,991)**	**1.17**	–	–
Cancelled	**(142,228)**	**1.46**	(616,736)	1.62
Forfeited	**(77,346)**	**2.01**	–	–
Outstanding as at 30 April	**1,059,706**	**1.31**	1,009,635	1.37
Exercisable as at 30 April	**–**	**–**	1,111	1.62

Volatility assumptions
The fair values of the DSBP awards are equal to the share price on the date of award as there is no price to be paid and employees are entitled to dividend equivalents. For awards with a market condition, volatility is calculated over the period commensurate with the remainder of the performance period immediately prior to the date of grant. For all other conditions, volatility is calculated over the period commensurate with the expected term. As the Company had only recently listed, a proxy volatility equal to the median volatility of the FTSE 250 (excluding Investment Trusts) over the respective periods has been used. Consideration has also been made to the trend of volatility to return to its mean, by disregarding extraordinary periods of volatility.

Share-based payment expense
Share-based payments expenses recognised in the income statement:

	2025 £000	2024 £000
Pre-IPO awards	**–**	1,152
LTIP	**2,734**	2,340
SAYE	**294**	455
DSBP	**443**	305
Share-based payments expense[1]	**3,471**	4,252

1. The £3,471,000 (2024: £4,252,000) stated above is presented inclusive of employer's National insurance contributions of £1,632,000 (2024: £92,000). This is made up of contributions of £276,000 (2024: £790,000) and an additional charge of £1,356,000 (2024: a release of £698,000) in relation to a true up of NI at year-end based on market share price data.

22 Share capital and reserves

The Group considers its capital to comprise its ordinary share capital, share premium, merger reserve, retained earnings and other reserves. Quantitative detail is shown in the consolidated statement of changes in equity. The Directors' objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders.

Called-up share capital
Ordinary share capital represents the number of shares in issue at their nominal value. Ordinary shares in the Company are issued, allotted and fully paid up.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The shareholding as at 30 April 2025 is:

	2025 Number of shares	2025 £000	2024 Number of shares	2024 £000
Allotted, called-up and fully paid ordinary shares of £0.10 each				
As at 1 May 2024	**343,310,015**	**34,331**	342,111,621	34,211
Issue of shares during the period	**1,597,155**	**159**	1,198,394	120
Shares cancelled during the period	**(11,061,434)**	**(1,106)**	–	–
As at 30 April 2025	**333,845,736**	**33,384**	343,310,015	34,331

22 Share capital and reserves continued

Called-up share capital continued
In the year ended 30 April 2025, the Company commenced a share repurchase programme. By resolutions passed at the 2024 AGM, the Company's shareholders generally authorised the Company to repurchase up to maximum of 34,362,148 of its ordinary shares. The share repurchase programme was announced on 16 October 2024 and commenced on 5 November 2024. In the year ended 30 April 2025, a total of 11,377,505 (2024: nil) ordinary shares of £0.10 were purchased and 11,061,434 of these shares purchased were subsequently cancelled. The 316,017 of shares not cancelled as at 30 April 2025 were transferred to the registrar for cancellation post year-end. The average price paid was 218.2p with a total consideration paid (including fees of £174,000) of £25,000,000 (2024: £nil). On cancellation the consideration was transferred from the own shares held reserve (within other reserves) to retained earnings and the nominal value of the shares transferred from share capital to the capital redemption reserve.

In the year ended 30 April 2025, 1,597,155 ordinary shares (2024: 1,198,394) were issued for the settlement of share-based payments. The Group expects to move during FY26 to satisfying share awards through market purchases rather than through dilution, subject to this remaining EPS-accretive at the prevailing share price.

Share premium
Share premium represents the amount over the par value which was received by the Company upon the sale of the ordinary shares. Upon the date of listing the par value of the shares was £0.10 whereas the initial offering price was £3.50. Share premium is stated net of direct costs of £736,000 (2024: £736,000) relating to the issue of the shares.

Merger reserve
The merger reserve of £993,026,000 arose as a result of the Group reorganisation undertaken prior to the Company's listing on the London Stock Exchange. This reorganisation was accounted for using common control merger accounting. Under this method, the assets and liabilities of the acquired entities were recognised at their existing carrying amounts rather than at fair value and no goodwill was recognised. The difference between the consideration paid and the book value of net assets acquired was recorded directly in equity within the merger reserve.

This accounting treatment was selected in preference to acquisition accounting in order to reflect the continuity of ownership and to present the Group's financial results on a basis that preserved the historical track record of the underlying trading entities. Had acquisition accounting been applied, the identifiable net assets would have been remeasured at fair value and a significant goodwill asset would likely have been recognised, increasing net assets and potentially resulting in the Group reporting positive net assets. However, such treatment would not have reflected the substance of a restructuring within a commonly controlled group.

The adoption of common control merger accounting has resulted in the recognition of a significant merger reserve on consolidation. The merger reserve is a debit balance within equity arising from the application of merger accounting and is a significant contributor to the Group's reported net liabilities position.

Other reserves
Other reserves represent the share-based payment reserve, the foreign currency translation reserve, the hedging reserve, own shares held reserve and the capital redemption reserve.

Share-based payment reserve
The share-based payment reserve is built up of charges in relation to equity-settled share-based payment arrangements which have been recognised within the consolidated income statement. Upon the exercise of share options the cumulative amount recognised in the share-based payment reserve is recycled to retained earnings, reflecting the transfer of value to the equity of the Company.

Hedging reserve
The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred and the cumulative net change in the fair value of time value on the cash flow hedging instruments.

Foreign currency translation reserve
The foreign currency translation reserve represents the accumulated exchange differences arising since the acquisition of Greetz from the impact of the translation of subsidiaries with a functional currency other than Sterling.

Own shares held reserve
The own shares held reserve represents the equity account used to record the cost of the Company's own shares that have been repurchased. These shares are not considered outstanding for the purposes of calculating earnings per share and do not carry voting rights or the right to receive dividends while held by the Company. Shares purchased for cancellation are included in the own shares held reserve until cancellation, at which point the consideration is transferred to retained earnings and the nominal value of the shares is transferred from share capital to the capital redemption reserve.

Capital redemption reserve
The capital redemption reserve reflects the nominal amount of shares bought back and cancelled.

22 Share capital and reserves continued

	Share-based payment reserve £000	Foreign currency translation reserve £000	Hedging reserve £000	Own shares held reserve £000	Capital redemption reserve £000	Total other reserves £000
As at 1 May 2023	42,211	(928)	1,881	–	–	43,164
Other comprehensive income:						
Exchange differences on translation of foreign operations	–	30	–	–	–	30
Cash flow hedges:						
Fair value changes in the year	–	–	715	–	–	715
Cost of hedging reserve	–	–	243	–	–	243
Fair value movements on cash flow hedges transferred to profit and loss	–	–	(2,222)	–	–	(2,222)
Deferred tax on other comprehensive income	–	–	(95)	–	–	(95)
Share-based payment charge (excluding National Insurance)	4,179	–	–	–	–	4,179
Deferred tax on share-based payment transactions	536	–	–	–	–	536
Share options exercised	(4,158)	–	–	–	–	(4,158)
As at 30 April 2024	42,768	(898)	522	–	–	42,392
As at 1 May 2024	**42,768**	**(898)**	**522**	**–**	**–**	**42,392**
Other comprehensive income/(expense):						
Exchange differences on translation of foreign operations	**–**	**(668)**	**–**	**–**	**–**	**(668)**
Cash flow hedges:						
Fair value changes in the year	**–**	**–**	**7**	**–**	**–**	**7**
Cost of hedging reserve	**–**	**–**	**95**	**–**	**–**	**95**
Fair value movements on cash flow hedges transferred to profit and loss	**–**	**–**	**(841)**	**–**	**–**	**(841)**
Deferred tax on other comprehensive income	**–**	**58**	**127**	**–**	**–**	**185**
Share-based payment charge (excluding National Insurance)	**1,839**	**–**	**–**	**–**	**–**	**1,839**
Deferred tax on share-based payment transactions	**1,773**	**–**	**–**	**–**	**–**	**1,773**
Current tax on share-based payment transactions	**32**	**–**	**–**	**–**	**–**	**32**
Share options exercised	**(6,429)**	**–**	**–**	**–**	**–**	**(6,429)**
Own shares purchased for cancellation	**–**	**–**	**–**	**(25,000)**	**–**	**(25,000)**
Own shares cancelled	**–**	**–**	**–**	**24,262**	**1,106**	**25,368**
As at 30 April 2025	**39,983**	**(1,508)**	**(90)**	**(738)**	**1,106**	**38,753**

23 Financial instruments and related disclosures

Accounting classifications and fair values
The amounts in the consolidated balance sheet and related notes that are accounted for as financial instruments and their classification under IFRS 9, are as follows:

	Note	2025 £000	2024 £000
Financial assets at amortised cost:			
Current assets			
Trade and other receivables[1]	15	**2,695**	3,849
Cash	16	**12,649**	9,644
Non-current assets			
Trade and other receivables	15	**1,605**	1,611
Financial assets at fair value:			
Current assets			
Financial derivatives		**5**	838
Non-current assets			
Financial derivatives		**–**	164
		16,954	16,106
Financial liabilities at amortised cost:			
Current liabilities			
Trade and other payables[2]	17	**45,473**	42,755
Merchant accrual		**40,374**	45,274
Lease liabilities	20	**3,214**	3,257
Borrowings	20	**111**	73
Non-current liabilities			
Trade and other payables[2]	17	**638**	638
Lease liabilities	20	**10,284**	13,072
Borrowings	20	**94,985**	118,292
		195,079	223,361

1. Excluding prepayments.
2. Excluding other taxation and social security (as not classified as financial liabilities).

The fair values of each class of financial assets and liabilities is the carrying amount, with the exception of borrowings, based on the following assumptions:

Trade receivables, trade payables and borrowings	The fair value approximates to the carrying amount, predominantly, because of the short maturity of these instruments.
Forward currency contracts	The fair value is determined using the mark to market rates at the reporting date and the outright contract rate.
Interest rate caps	The fair value is determined by discounting the estimated future cash flows at a market rate that reflects the current market assessment of the time value if money and the risks specific to the instrument.

The fair values of bank loans and other loans approximates to the carrying value, as reported in the balance sheet, gross of amortised costs of £1,848,000 (2024: £1,973,000). This is because most borrowings are at floating interest rates, with payments reset to market rates at intervals of less than one year.

Fair value hierarchy
Financial instruments carried at fair value are required to be measured by reference to the following levels:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments carried at fair value have been measured by reference to Level 2.

23 Financial instruments and related disclosures continued

Financial risk management
The Group has exposure to the following risks arising from financial instruments:

- Credit risk.
- Liquidity risk.
- Market risk.

i) Risk management framework
In line with the Group's Risk Appetite statement, it aims to manage financial risk prudently by balancing cost efficiency with acceptable risk. It does not use financial instruments for speculation and retains discretion to hedge exposures within the limits of its Treasury Policy.

ii) Credit risk
Credit risk is the risk of financial loss if a counterparty fails to discharge its contractual obligations under a customer contract or financial instrument.

- The Group’s credit risk from its operations primarily arises from trade and other receivables. This risk is assessed as low, as the balances are short maturity, arise principally as a result of high volume, low value transactions and have no significant concentration as there is no counterparty balance that represents a significant credit risk concentration.
- The Group’s credit risk on cash and cash equivalents is considered to be low. Financial assets are held with bank, financial institution or government counterparties that have a long-term credit rating of A3 or higher from Moody’s Investor Services and/or a long-term credit rating of A- or higher from Standard & Poor’s. The Group’s treasury policy is to monitor cash (when applicable deposit balances) daily and to manage counterparty risk whilst also ensuring efficient management of the Group’s RCF.

Further information on the credit risk management procedures applied to trade receivables is given in Note 15 and to cash and cash equivalents in Note 16. The carrying amounts of trade receivables and cash and cash equivalents shown in those notes represent the Group’s maximum exposure to credit risk.

iii) Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Group’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group’s reputation.

Cash flow forecasting is performed centrally with rolling forecasts of the Group’s liquidity requirements regularly monitored to ensure it has sufficient cash to meet operational needs. The Group’s revenue model results in a strong level of cash conversion allowing it to service working capital requirements.

The Group’s sources of borrowing for liquidity purposes comprise a committed RCF of £180,000,000, which now has a maturity date of 28 February 2029. This reflects the exercise during the year of a one-year extension option, which was subsequently approved by the lenders. Lease liabilities are also reported in borrowings.

Liquidity risk management requires that the Group continues to operate within the financial covenants set out in its facilities. The RCF is subject to two covenants, each tested at six-monthly intervals. The leverage covenant, measuring the ratio of net debt to last twelve months Adjusted EBITDA (excluding share-based payments, as specified in the facilities agreement), is a maximum of 3.0x for the remaining term of the facility. The interest cover covenant, measuring the ratio of last twelve months Adjusted EBITDA (excluding share-based payments, as specified in the facilities agreement) to the total of bank interest payable and interest payable on leases, is a minimum of 3.5x for the term of the facility. Covenant forecasting is performed centrally, with regular monitoring to ensure that the Group continues to expect to meet its financial covenants.

23 Financial instruments and related disclosures continued

Financial risk management continued
iii) Liquidity risk continued
The following tables sets out the anticipated contractual cash flows including interest payable for the Group’s financial liabilities and derivative instruments on an undiscounted basis. Where interest payments are calculated at a floating rate, rates of each cash flow until maturity of the instruments are calculated based on the forward yield curve prevailing at the respective year-ends. All derivative contracts are presented on a net basis:

Contractual cash flows 2025	Due within 1 year £000	Due within 1 and 3 years £000	Due between 3 and 5 years £000	Due after 5 years £000	Total £000	As at 30 April 2025 £000
Borrowings[1]	**–**	**–**	**96,833**	**–**	**96,833**	**94,985**
Interest on borrowings	**5,909**	**11,135**	**4,544**	**–**	**21,588**	**111**
Lease capital repayments	**3,214**	**5,280**	**2,353**	**2,651**	**13,498**	**13,498**
Lease future interest payments	**516**	**567**	**280**	**113**	**1,476**	**–**
Merchant accrual	**42,918**	**–**	**–**	**–**	**42,918**	**40,374**
Trade and other financial liabilities[2]	**45,473**	**638**	**–**	**–**	**46,111**	**46,111**
Non-derivative financial liabilities	**98,030**	**17,620**	**104,010**	**2,764**	**222,424**	**195,079**
Interest rate caps	**5**	**–**	**–**	**–**	**5**	**5**
Derivative financial liabilities	**5**	**–**	**–**	**–**	**5**	**5**

Contractual cash flows 2024	Due within 1 year £000	Due within 1 and 3 years £000	Due between 3 and 5 years £000	Due after 5 years £000	Total £000	As at 30 April 2024 £000
Borrowings[1]	–	–	120,266	–	120,266	118,292
Interest on borrowings	8,025	15,364	6,031	–	29,420	73
Lease capital repayments	3,257	6,251	3,085	3,736	16,329	16,329
Lease future interest payments	655	843	371	229	2,098	–
Merchant accrual	48,133	–	–	–	48,133	45,274
Trade and other financial liabilities[2]	42,755	638	–	–	43,393	43,393
Non-derivative financial liabilities	102,825	23,096	129,753	3,965	259,639	223,361
Interest rate caps	935	92	–	–	1,027	1,002
Derivative financial liabilities	935	92	–	–	1,027	1,002

1. For the purpose of these tables, borrowings are defined as gross borrowings excluding lease liabilities and fair value of derivative instruments.
2. Consists of trade and other payables that meet the definition of financial liabilities under IAS 32 (excluding merchant accrual, which is split out separately above).

IFRS 7 requires the contractual future interest cost of a financial liability to be included within the above table. As disclosed in Note 20 of these condensed consolidated financial statements, borrowings are currently drawn under a revolving credit facility and repayments can be made at any time without penalty. As such there is no contractual future interest cost. However, included in the above table is the expected future interest payments based on the Group's drawings and existing hedging as at the balance sheet date and forecasted SONIA and EURIBOR rates.

The merchant accrual contractual cash flows amount due within one year represents the undiscounted gross value. The contractual cash flows being due within one year is different from the forecast cash flow profile used to discount the liability under IFRS 9. Amounts are due when the customer redeems the voucher which is outside of the control of the Group, hence its classification as a current liability and its contractual cash flows being within one year. However, historical redemption periods show that actual redemptions differ from the contractual period and therefore on a forecast basis the cash flows span more than one year, as a result the liability is discounted.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

23 Financial instruments and related disclosures continued

Financial risk management continued
iv) Market risk
Currency risk
Currency risk involves the potential for financial loss arising from changes in foreign exchange rates:

- Translation risk is exposure to changes in values of items in the condensed consolidated financial statements caused by translating items into Sterling. This is the Group's principal currency exposure in view of its overseas operations.
- Transaction risk arises from changes in exchange rates from the time a foreign currency transaction is entered into until it is settled. This is relevant to the Group's operating activities outside the UK, which are generally conducted in local currency. Transaction risk is not considered significant, as the Group primarily transacts in Sterling and Euros and generates cash flows in each currency which are sufficient to cover operating costs.
- Other currency exposures comprise currency gains and losses recognised in the income statement, relating to other monetary assets and liabilities that are not denominated in the functional currency of the entity involved. At 30 April 2025 and 30 April 2024, these exposures were not material to the Group.

The Group applies strategies to management currency risk which may include the use of forward contracts to purchase Euros, US Dollars and Australian Dollars in exchange for Sterling and/or draw-down of the RCF in Euros, US Dollars or Australian Dollars to provide a natural hedge. There was a foreign exchange gain on borrowings during the year of £90,000.

Interest rate risk
Interest rate risk involves the potential for financial loss arising from changes in market interest rates. The Group is exposed to interest rate risk arising from borrowings under the revolving credit facility, which incurs interest at a floating reference rate plus a margin. The reference rates are SONIA for loans in Sterling, EURIBOR for loans in Euros and SOFR for loans in US Dollars. As at 30 April 2025 the Group had drawn down £93,000,000 and €4,500,000 of the available revolving credit facility.

To mitigate this risk, the Group has implemented hedging strategies. As at the date of this report, the Group has the following interest rate hedging instruments in place:

Derivative type	Execution dates	Notional amount	Start date	Maturity date	Underlying asset	Strike rate
Interest rate cap	1 August 2022	£50.0m	1/8/2022	30/11/2024	SONIA	3.00%
Interest rate cap	3 April 2024	£50.0m	29/11/2024	5/31/2025	SONIA	5.00%
		£35.0m	1/6/2025	28/11/2025		
Interest rate cap	30 January 2025	£15.0m	31/5/2025	28/11/2025	SONIA	4.50%
		£35.0m	29/11/2025	30/4/2026		
Interest rate cap	2 June 2025	£15.0m	29/11/2025	30/4/2026	SONIA	4.50%
		£50.0m	1/5/2026	30/10/2026		

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments. The Group enters hedge relationships where the critical terms of the hedging instrument and the hedged item match, therefore, for the prospective assessment of effectiveness a qualitative assessment is performed. Hedge effectiveness is determined at the origination of the hedging relationship. Quantitative effective tests are performed at each year-end to determine the continuing effectiveness of the relationship.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the interest rate, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be, and has been, effective in offsetting changes in cash flows of the hedging item using the hypothetical derivative method.

In these hedge relationships, the main sources of ineffectiveness are:

- The effect of the counterparty and Group's own interest rate risk on the fair value of the caps, which is not reflected in the change in the fair value of the hedged cash flows attributable to the change in interest rates; and
- Changes in the timing of the hedged item.

23 Financial instruments and related disclosures continued

Financial risk management continued
iv) Market risk continued
Interest rate risk continued
The derivative financial assets are all net settled; therefore, the maximum exposure to interest rate risk at the reporting date is the fair value of the derivative assets which are included in the consolidated balance sheet:

Derivative financial assets	**2025 £000**	**2024 £000**
Derivatives designated as hedging instruments		
Interest rate cap – cash flow hedges	**5**	1,002
Total derivatives financial assets	**5**	1,002

	2025 £000	**2024 £000**
Current and non-current:		
Current	**5**	838
Non-current	**–**	164
Total derivatives financial assets	**5**	1,002

Cash flow interest rate swap and cap
No ineffective portion arising from cash flow hedges was recognised in finance expense during the year (2024: £nil).

Moonpig Group's primary floating rate interest exposure as at 30 April 2025 related to the SONIA reference rate. Gains and losses recognised in the cash flow hedging reserve in equity on interest rate cap contracts as at 30 April 2025 will be released to the consolidated statement of comprehensive income as the related interest expense is recognised.

The effects of the cash flow interest rate swap and cap hedging relationships are as follows at 30 April:

	Interest rate swap		**Interest rate cap 3.0%**		**Interest rate cap 5.0%**		**Interest rate cap 4.5%**[1]	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Carrying amount of derivatives (£000)	–	–	–	838	–	164	5	–
Changes in fair value of the designated hedged item (£000)	–	84	6	630	(164)	1	(36)	–
Notional amount (£000)	–	–	70,000	70,000	42,500	42,500	25,000	–
Hedge ratio	–	–	1:1	1:1	1:1	1:1	1:1	–
Maturity date	–	–	30/11/2024	30/11/2024	28/11/2025	28/11/2025	30/04/2026	–

1. The Group put in place an interest rate cap during the year of 4.50% on £15.0m notional from 31 May 2025 until 28 November 2025, increasing thereafter to £35.0m notional until expiry on 30 April 2026.

Interest rate movements on deposits, lease liabilities, trade payables, trade receivables and other financial instruments do not present a material exposure to the Group’s balance sheet.

The table below details changes in derivative assets arising from financing activities, including both cash and non-cash changes:

	Derivative assets £000
As at 1 May 2023	**2,468**
Cash (inflow)	(2,072)
Non-cash movement	606
As at 30 April 2024	**1,002**
Cash (inflow)	**(801)**
Non-cash movement	**(196)**
As at 30 April 2025	**5**

23 Financial instruments and related disclosures continued

Financial risk management continued
iv) Market risk continued
Market risk sensitivity analysis
Financial instruments affected by market risks include borrowings and deposits.

The following analysis, required by IFRS 7 Financial Instruments: Disclosures, is intended to illustrate the sensitivity to changes in market variables, being Sterling/Euro interest rates and Sterling/Euro exchange rates.

The sensitivity analysis assumes reasonable movements in foreign exchange and interest rates before the effect of tax. The Group considers a reasonable interest rate movement in SONIA or EURIBOR to be 1% (2024: 3%) based on current interest rate projections. Similarly, sensitivity to movements in Sterling/Euro exchange rates of 10% are shown, reflecting changes of reasonable proportion in the context of movement in that currency pair over the last five years.

The following table shows the illustrative effect on profit before tax resulting from a 10% change in Sterling/Euro exchange rates:

	Income (losses)/gains 2025 £000	**Equity (losses)/gains 2025 £000**	**Income (losses)/gains 2024 £000**	**Equity (losses)/gains 2024 £000**
10% strengthening of Sterling against the Euro	**(263)**	**(1,223)**	(340)	(1,312)
10% weakening of Sterling against the Euro	**289**	**1,345**	416	1,604

The following table shows the illustrative effect on the consolidated income statement from a 1.0% change in market interest rates on the Group’s interest expense. Refer to borrowings in Note 20.

	2025 £000	**2024 £000**
1.0% increase in SONIA market interest rates (2024: 3.0%)	**(519)**	(2,913)
1.0% decrease in SONIA market interest rates (2024: 3.0%)	**638**	3,592
1.0% increase in EURIBOR market interest rates (2024: N/a)	**(68)**	N/a
1.0% decrease in EURIBOR market interest rates (2024: N/a)	**68**	N/a

Capital risk management
Capital risk is the risk that the Group will not be able to sustain its operations in the long term due to an inability to secure sufficient capital or maintain an adequate return on capital investment. This encompasses financing risk (the risk that the Group cannot raise necessary funds to continue its operations or finance expansion activities) and cost of capital risk (associated with fluctuations in the cost of capital, which may influence investment decisions and affect long-term strategic planning).

The Group’s capital management objectives are focused on maintaining investor confidence and supporting the sustainable development of the business. The Group will always prioritise growth investment in the business and our consistent strong operating cash generation and the progress means there is financial flexibility to return incremental excess capital to shareholders by way of dividends and share repurchases.

24 Commitments and contingencies

a) Commitments
The Group entered a financial commitment in respect of supplier of cut flowers of £213,000 (2024: £212,000) and rental commitments of £91,000 (2024: £17,000) which are due within one year.

During the period the Group entered a financial commitment in respect of future stock purchases of £1,912,000 (2024: £nil). These purchases are spread across the next three years and will be settled by November 2027.

b) Contingencies
Group companies have given a guarantee in respect of the Group's £180,000,000 revolving credit facility. As at 30 April 2025 the Group had drawn down £93,000,000 and €4,500,000 of the available revolving credit facility (2024: £113,000,000 and €8,500,000).

25 Related party transactions

Transactions with related parties

There were no related party transactions requiring disclosure in the year ended 30 April 2025. The Group receives other income in respect of the sublease of part of its head office to an entity that was considered a related party due to common control until the Company's former private equity owner ceased to be a Significant Shareholder in the Company on 25 April 2024.

	2025 £000	2024 £000
Other income from related parties formerly under common control	–	1,349

Compensation of key management personnel of Moonpig Group plc

The amounts disclosed in the table are the amounts recognised as an expense during the reporting year related to key management personnel. Key management personnel are defined as the Directors as they are the members of the Group with the authority and responsibility for planning, directing and controlling the activities of the Group.

Further detail in respect of the Directors remuneration can be found within the Directors' Remuneration report in the Annual Report and Accounts for the year ended 30 April 2025.

	2025 £000	Re-presented 2024 £000
Short-term employee benefits	**2,734**	2,513
Post-employment pension and medical benefits	**56**	53
Share-based payment schemes[1]	**1,084**	1,918
Total compensation relating to key management personnel	**3,874**	4,484

1. The share-based payment amount disclosed above is the expense in the year rather than the amount based on the performance assessment period as disclosed in the Directors remuneration report within the Annual Report and Accounts for the year ended 30 April 2025.
2. The prior year share-based payment scheme amount has been re-presented to correctly reflect the amount recognised as an expense during the year rather than the amount based on the performance assessment period as disclosed in the Directors remuneration report.

26 Related undertakings

A full list of subsidiary undertakings as defined by Companies Act 2006 and which fall within the scope of consolidation under IFRS 10 as at 30 April 2025 is disclosed below. Titan Midco Limited is held directly by the Company and all other subsidiary undertakings are held indirectly.

The equity shares held are in the form of ordinary shares or common stock. The effective percentage of equity shares held in subsidiary undertakings is 100% in all cases.

Subsidiary undertakings	Number	Country of incorporation	Principal activity
Cards Holdco Limited[1]	12170467	England and Wales	Trading company, management services
Moonpig.com Limited[1]	03852652	England and Wales	Trading company
Experience More Limited[1]	03883868	England and Wales	Trading company
Titan Midco Limited[1]	13014525	England and Wales	Holding company
Horizon Bidco B.V.[2]	72238402	Netherlands	Holding company
Greetz B.V.[2]	34312893	Netherlands	Trading company
Full Colour B.V.[2]	34350020	Netherlands	Trading company

1. Registered office address is Herbal House, 10 Back Hill, London, EC1R 5EN, United Kingdom.
2. Registered office address is Koningsbeltweg 42, 1329 AK, Almere, Netherlands.

All subsidiaries have a financial year-end of 30 April, aligned with the Parent Company.

Titan Midco Limited is exempt from the Companies Act 2006 requirements relating to the audit of their individual financial statements by virtue of Section 479A of the Companies Act as this Company has guaranteed its subsidiary companies under Section 479C of the Companies Act.

In accordance with article 408 of the Dutch Civil Code, Horizon Bidco B.V. issued a declaration of joint and several liability in respect of its consolidated participants. The declaration covered and resulted in the standalone Horizon Bidco B.V. entity being exempt from an audit. Additionally, Full Colour B.V. is exempt from an audit under the Dutch Civil Code by virtue of its size.

27 Events after the balance sheet date

The following matters, which have arisen since the balance sheet date, represent non-adjusting events under IAS 10 and are therefore disclosed due to their materiality. They have not been reflected in the condensed consolidated financial statements for the year ended 30 April 2025:

- On 2 May 2025, the Group announced a programme to repurchase up to £30.0m of its ordinary shares during the period to 31 October 2025, or such time as the Company provides further notice. This programme is the first of two planned for FY26, to be executed in H1 and H2 respectively and follows the Group's earlier announcement on 23 April 2025 of its intention to repurchase up to £60.0m of its own shares during the new financial year. The Company's policy is that share repurchases will only be conducted when they utilise excess capital and are earnings enhancing. Since 1 May 2025 to 24 June 2025, a further 3,293,060 shares of 10 pence each (representing 1.0% of the Company's issued share capital as at 24 June 2025) have been repurchased for aggregate consideration of £8,196,045 including fees and duty (aggregate value net of fees of £8,139,018) and the average price paid was 247.2p per ordinary share.

With the exception of the above, no other adjusting or non-adjusting events have occurred.