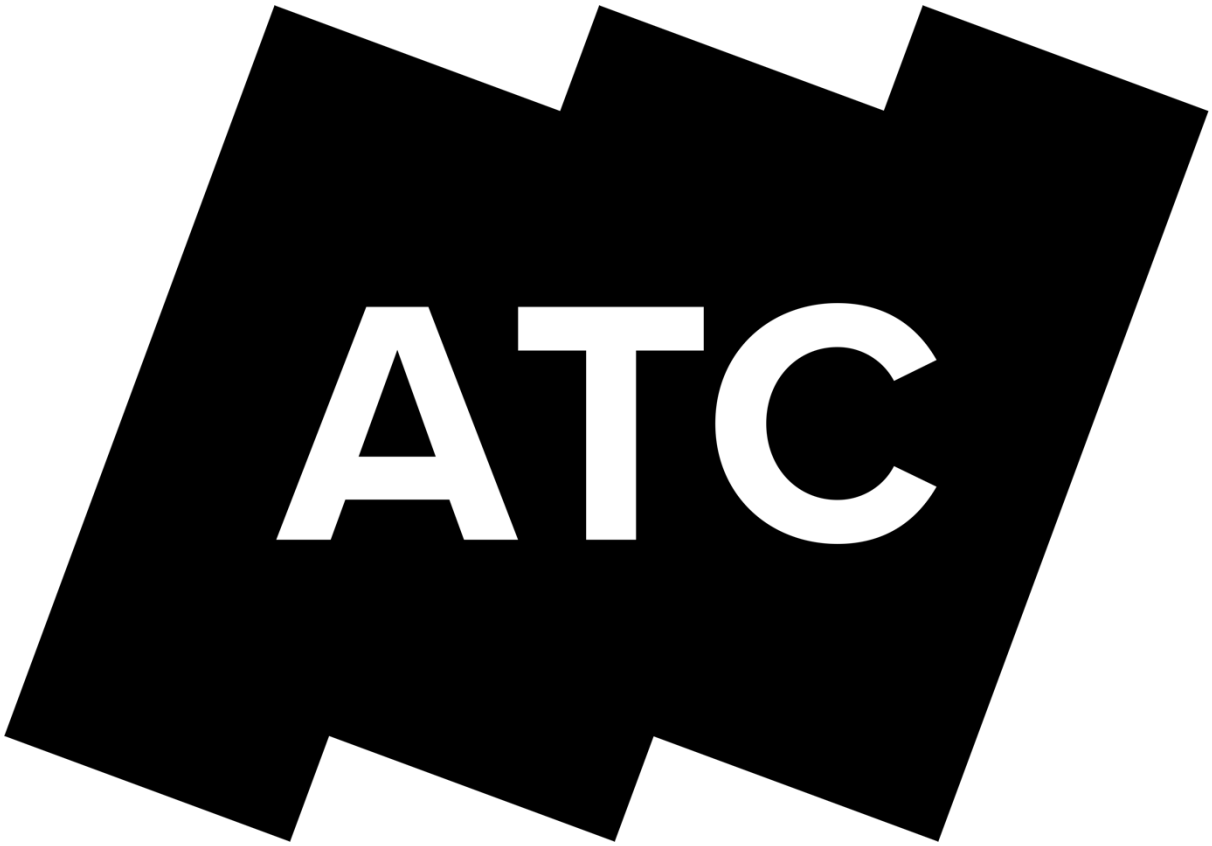
# ATC Music Group plc

# (previously known as All Things Considered Group plc)

# Annual Report 2025



# About ATC Music Group

ATC Music Group plc, previously known as All Things Considered Group plc ('the Group'), is a progressive independent music company providing integrated artist services across the music value chain. The Group operates through three core segments - Representation, Services, and Events - supporting artists throughout their creative and commercial careers.

Headquartered in London, the Group operates internationally, maintaining offices in Europe and North America and is led by an experienced management team with diverse executive experience across various music industry sectors.

The Group boasts an established, long-standing client base and offers a comprehensive range of services including artist management, merchandising, live streaming, touring, fan engagement, and rights management. This end-to-end model enables artists to maximise revenue across multiple channels while fostering long-term partnerships with the Group.

A series of strategic acquisitions and partnerships has expanded ATC's platform beyond its core artist management operations, strengthening its position across live entertainment, merchandise, and digital fan experiences. These additions have enhanced the Group's scale and diversification across the global music ecosystem.

The Directors believe that ATC's integrated business model, strong industry relationships, and focus on innovation position the Group well to capitalise on the ongoing evolution of the music industry.

ATC is listed on the AIM market of the London Stock Exchange (symbol ATC).

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# Highlights

## Operational highlights

- **Revenue Growth and Strategic Investment:** Revenue grew by 33% to £67.4 million, with adjusted operating EBITDA of £1.3 million following planned investment to support future expansion.
- **AIM admission and fundraise:** The Group successfully transitioned to AIM in December 2025, raising a significant £8.6 million to support long-term growth ambitions and broaden the investor base.
- **Leadership and governance strengthened:** Following admission to AIM, the Group enhanced its Board and senior management team, with Andy Glover becoming Non-Executive Chair and the appointment of Cliff Fluet as Independent Non-Executive Director. James Patterson was appointed as Chief Operating Officer, strengthening leadership capacity, governance and operational oversight to support the Group's growth strategy.
- **Strong Organic Growth & Strategic Acquisitions:** Continued organic growth complemented by the strategic acquisitions of Concorde 2 and Volks, as well as Easy Life Group and the assets of Control Industry Inc, significantly enhancing the Group's value proposition and its market position.
- **Broad-Based Growth Across Divisions:** Delivered strong growth across all core Group segments reflecting the broad appeal of the Group's differentiated full-service model and benefiting from strategic acquisitions completed during the year.
- **Strategic Acquisition Pipeline:** Established a solid foundation for future growth, supported by a large and visible pipeline of strategic acquisitions for FY26 and beyond.
- **Industry Recognition and Awards:** ROAM achieved significant industry recognition during the year, including its first inclusion in the Billboard Touring Power Players list, ranking as the 4th most viewed agency on ROSTR in 2025, and receiving two nominations at the 2026 Pollstar Awards. ROAM artists collectively received seven nominations for the 2026 Grammy Awards, and ROAM was awarded Booking Agency of the Year at the LIVE Awards 2025, reflecting its position as the largest independent agency globally by roster size and the fifth largest overall.
- **Talent Success & Market Impact:** Continued success in talent representation and bookings, further solidifying the Group's role as a key player in the live music and entertainment industry.
- **Transformation Growth and New Initiatives:** ATC Experience delivered its first major theatrical project named "Hamlet Hail to the Thief", bringing together ATC artist clients and internationally recognised theatre practitioners premiering at Aviva Studios in Manchester in May 2025 ahead of moving to the main auditorium at the Royal Shakespeare Company theatre in Stratford-Upon-Avon.
- **Post year end:**
    - In January 2026, the Group changed its name from All Things Considered Group plc to ATC Music Group plc, reflecting the closer alignment of the Group's businesses and its ambition to operate as a more unified and scalable organisation.
    - The Group strengthened its technology capabilities through the acquisition of 100% of Push Media Ventures Ltd ("Push"), a UK-based technology services business providing digital marketing, data analytics, fan engagement and e-commerce solutions to the music industry. This acquisition is strategically important in supporting the Group's fan data strategy and enhancing its ability to build direct-to-fan relationships at scale.

## Financial highlights (£m)

| **Revenue** | **Adjusted Operating EBITDA**[1] | **Cash and cash equivalents** |
|---|---|---|
| **£67.4m** | **£1.3m** | **£21.4m** |
| +33% | -22% | +122% |
| 2024 £50.9m | 2024 £1.6m | 2024 £9.7m |
| 2023 £24.1m | 2023 £(0.4)m | 2023 £13.0m |
| 2022 £9.5m | 2022 £0.7m | 2022 £3.9m |

*(1) Adjusted Operating EBITDA is a non-statutory performance measure, as displayed in the consolidated statement of comprehensive income, and is defined as the operating result before interest, tax, depreciation, amortisation and impairment and before the share of results of associates and joint ventures. Adjusted for share-based payments and exceptional items.*

# At a glance

# CONNECTED.
# CREATIVE.
# CONSIDERED.

## Who we are
A progressive, independent, full-service music company delivering representation, services and creative solutions to circa 1,000 artist businesses.

## What we do
Artist Management / Live Touring / Merchandising / E-Commerce / Event Promotion and Experiences / Live Streaming / Direct to Fan technology solutions and more.

We are building a purpose-built, fully integrated services business for the new data-driven era of music, spanning the full spectrum of the music value chain and enabling artists to engage more comprehensively, transparently and directly with their fan bases.

## How we do it
We are led by a team of experts in their fields with deep experience across all key aspects of artist businesses. Our ability to offer a la carte collaborative engagement across a wide range of music services sets us apart from the rest of the industry.

## Our Mission
Further develop our substantial relationship base with artists while building a data driven direct to fan system that will enable artists to more deeply engage with their fans. This enables significantly better creative and commercial outcomes.

## Location
London HQ with offices in Brighton, Reading, Glasgow, Paris, LA and New York.

## Our services
**Representation**
ATC Management / ATC Composers / ROAM (formerly ATC Live) / Raw Power Management / Easy Life Group

**Services**
Sandbag / Driift / Circa /Push*

**Events**
Joy Entertainment Group / ATC Experience / Live X

**acquired post year end*

# Investment case

## A diversified business at the heart of the music artist economy

### Unique value proposition for today’s music industry
ATC’s full talent services offering enables the Group to align more closely with artists' commercial ambitions and deliver across a greater share of revenue opportunities and provides a virtuous circle of consumer insight and proprietary data which can be leveraged across service lines, creating substantial competitive differentiation, driving deeper engagement and monetisation.

### Strong team, client base and culture
ATC’s business is underpinned by long standing and deep relationships with award-winning career clients, as well as significant and scaling artist relationships across the Group. Led by an experienced management team, the Group has established an attractive ethos and a platform for growth for staff, clients and partners.

### Rapidly scaling business with robust financial position
Admission to AIM represents a meaningful step forward in ATC’s evolution, enhancing the Group’s visibility, broadening access to capital and supporting the next phase of growth as an international, independent music company. The Group’s strong financial position, increasing profitability and resilient balance sheet provide the flexibility to invest in artist representation and service offerings, while accelerating delivery of its growth strategy, including the development of a proprietary data platform. With access to a broad investor base and a robust financial foundation, ATC is well positioned to pursue its long-term ambitions and deliver sustainable value for stakeholders.

### Critical mass in established and growing markets
ATC’s collection of assets sits at the heart of the global, multi-billion-dollar music industry, which is undergoing significant disruption through technological innovations, changing consumer demands and a growing direct-to-fan evolution. The industry continues to show strong growth globally.

# Group overview

ATC Music Group is an independent music business operating internationally with strong business focus in the key commercial areas of music artists' businesses. The Group encompasses direct artist representation in the form of management and live representation together with merchandising, music event promotion, live streaming, technology solutions and a range of other music services. The Group is headquartered in London, with offices in the key industry hubs of Los Angeles, New York and Europe.

ATC is one of the few companies in the industry bringing together a comprehensive range of music services under a single group structure. The music industry typically operates in a siloed fashion, with providers focused on delivering a single service within the wider ecosystem. In contrast, ATC's integrated approach enables the Group to engage more broadly and deeply in an artist's business, creating opportunities for enhanced commercial value and the development of new ventures beyond traditional music industry models.

All revenue streams in the music industry ultimately stem from artists' activities. With a strategic vision in mind, the Group has structured its business units to offer artists the flexibility to access specific services or embrace a more integrated approach across a number of service lines. Our ongoing focus lies in expanding our offerings with complementary services that not only enhance strategic positioning but also create opportunities for cross-selling within the Group. We are confident in the significant potential to collaborate, produce, and deliver new intellectual property through events and experiences, supported by our multi-service approach spanning key revenue streams.

## Overview of principal activities

The Group's business segments in 2025 were as follows:

**Representation**

ATC Management

- Representing award-winning recording artists, songwriters, producers and composers including PJ Harvey, Faithless, Nick Cave, Thom Yorke, The Smile, Johnny Marr and Black Country, New Road and over 70 others
- Headquartered in London with offices in principal industry hubs of New York and LA

Raw Power

- Established in 2006 and specialising in the representation of rock and alternative artists
- Boasting a roster of globally successful, renowned artists including billion-streaming stadium artist, Bring Me The Horizon, along with Bullet For My Valentine, The Damned, The Mars Volta, You Me At Six and Don Broco

ROAM (formerly ATC Live)

- Providing representation for artists' touring businesses centred on a high level of creative and strategic planning
- Circa 600 artists represented including Amyl & The Sniffers, Big Thief, Black Pumas, Fontaines D.C., Jungle, Nick Cave & The Bad Seeds, PJ Harvey, Sleaford Mods, The Lumineers
- Circa 6,800 events booked in 2025 (circa 6,300 in 2024)
- Established a fully integrated independent global touring solution through ROAM, launched in September 2025 through a strategic partnership between ATC Live and US partner Arrival Artists. ROAM is now the fifth- largest music agency worldwide, with offices in London, New York, Los Angeles, Chicago, Paris and Glasgow, providing artists with comprehensive international touring and live revenue support.
- Consistently shortlisted as "Agency of the Year" at key music industry awards including Music Week, UK Festival, and Pollstar Awards and won "Agency of the Year" at the LIVE Awards in December 2025.
- Led by Alex Bruford, voted "Agent of the Year" at the 2026 International Live Music Conference for the 5th time (won in 2023)

Easy Life Group

- Music management and record label business led by Jamie Osman, comprising Real Life Management, Easy Life Records and Turn the Page PR.
- Established in 2014, the Group has built a strong reputation as a leading independent player in the UK music industry.
- The Group benefits from a well-established music catalogue developed over the past decade, generating recurring royalty income and providing a stable long-term revenue stream.

# **Group overview** continued

**Services**

A range of creator-business services facilitating the direct connection between artists and their fans. This division is the bedrock in our 'direct to fan' service strategy

Sandbag

- Fully managed service encompassing branding, merchandise, e-commerce, ticketing, touring and VIP services, retail and fan experiences
- Working globally with respected artists and content creators inc. ABBA, Radiohead, RuPaul, BTS and Incubus
- Grammy Award winning creative team across strategy, design and implementation
- ABBA Voyage sole merchandise partner
- Sales presence in UK, Europe, USA, Canada and Australia
- In October 2025, ATC's merchandising arm Sandbag strengthened its global capabilities through the acquisition of the business and assets of Control Industry Inc., a California-based full-service merchandise management business. Control Industry's clients - including Black Eyed Peas and Billy Joel - and retail partners such as Amazon, Macy's, Nordstrom, Urban Outfitters, and Target will now be serviced by Sandbag.

Driift

- Production and promotion of premium livestream events, strengthened by the acquisition of full ownership in February 2025, enhancing ATC's digital and live event capabilities.

Circa (formerly known as Your Army)

- Leading music promotions agency in North America rooted deeply in the global dance and electronic music ecosystem
- Specialists in DJ and radio promotions, new media servicing, and promotion via online platforms
- Representing renowned artists including Disclosure, Fred Again, and RÜFÜS DU SOL.
- International servicing of major industry leaders such as Warner Records, RCA Records, and Ministry of Sound

# **Group overview** continued

**Events**

The production and management of artist-led live experiences

Joy Entertainment Group

- Live entertainment company - touring, music festivals and entertainment venues.
- Consisting of award-winning music promoter, Joy, which has operated for over 15 years, delivering concerts for global touring artists.
- Partner in 'On The Beach' Festival staged annually on Brighton's iconic beachfront welcoming over 70,000 attendees each year.
- Majority shareholder in Brighton's 'Concorde2' and 'Volks' music venues, a mainstay of the UK live music industry, hosting over 250 live concerts each year and having played host to superstar artists including Foo Fighters, Ed Sheeran, Fontaines DC, Nick Cave & The Bad Seeds, Florence & The Machine, Adele, The White Stripes, Architects, IDLES, Fatboy Slim, Bicep, Bonobo and many more.
- Promoter of inner-city multi-venue festival 'Psych Fest' and Brighton Pride

ATC Experience

- Developing artist-led, innovative live and virtual cultural experiences from the world of music, performing and visual arts for global audiences
- Generating new, non-traditional revenue streams for creators
- ATC Experience's inaugural project, which has been in active development for over 3 years, launched in May 2025. This is a collaboration with The Royal Shakespeare Company and is a new stage production of 'Hamlet' orchestrated by Thom Yorke and inspired by Radiohead's iconic album, Hail to the Thief. The opening runs for the show in Manchester and Stratford-Upon-Avon were sold out and received strong press reviews which will support the move to an international touring cycle.

LiveX

- Creates world-class live entertainment inspired by iconic brands and intellectual properties, partnering with major studios to produce immersive touring shows, symphony concerts, and large-scale branded events.
- Specialising in cinematic concert experiences and global stage productions, LiveX brings legendary stories to life, extending the magic of film and television through compelling brand storytelling and audience engagement.

# Chair's statement

I am delighted to present my first Chair's statement for the Group, having transitioned to the role from Independent Non-Executive Director in December. In this new capacity, I am looking forward to guiding the Group with a clear focus on long-term value creation, strong governance, and disciplined execution as we enter the next stage of our growth journey.

Reflecting on FY25, it has been a landmark year, one in which we strengthened our market position, accelerated our strategic ambitions, and took a major step forward in our evolution, including a migration of the Group's public listing to AIM (the London Stock Exchange's growth market). The Group delivered exceptional growth in FY25, driven by the talent and dedication of our rapidly expanding team and supported by a clear, data-led strategic vision. Following the year end, the Group changed its name from All Things Considered Group plc to ATC Music Group plc, underscoring the Group's evolution as a business and one that more clearly signals our ambition, while preserving the strong brand recognition and trust we hold across the industry. We enter the next phase of our journey with strong momentum, a strengthened balance sheet, and a robust operational platform to support our continued growth.

## Evolution of ATC Music Group plc

It is worth summarising in brief the recent history of ATC as so much has been achieved in a relatively short time. The legacy ATC artist management business was established some years ago by co-founders Brian Message and Craig Newman. They introduced Adam Driscoll, a music industry veteran, into the business in 2021 to lead and drive the Group into other and new aspects of the music industry, to recruit and build an appropriately expanded management team and to raise funds to support growth. Adam set about the extensive process of preparing the Group for public ownership, culminating in listing the shares and raising funds on the Aquis Stock Exchange which took place in December 2021. Group revenue for FY20 was £7.1m and we had 17 employees.

Since then, the Group has internally developed or acquired over 20 businesses and raised substantial equity funds; we have expanded and diversified the Group's activities into other areas of the music value chain - a conscious and proactive approach to respond to market shifts and emerging trends. We now support artists across key commercial pillars of the music industry: artist management, live representation, merchandising, events, promotion and livestreaming. We manage and act in other capacities for some of the most successful music artists in the world and are proud of our artist roster. In addition, our integrated services model enables the effective use of fan data across the music value chain, helping our artists to maximise their commercial outcomes and strengthen audience engagement. The funds raised at the end of FY25 will be partly deployed to further build this essential fan data strategy.

Our FY25 Group revenue was £67m, representing an 8.5-fold increase over five years, and we have 225 people located predominantly in London, Reading, Brighton, Los Angeles and New York, who are active around the world due to the nature of supporting our artists globally. The scale achieved is strategically important, enhancing the Group's competitiveness, resilience and value creation.

## Transition to AIM, Board changes and governance

During 2025 we concluded that our fundraising aims would be better suited to our shares being listed on AIM, resulting in a successful transition in December 2025. We are very grateful for the support provided by the Aquis Stock Exchange in getting us this far in our journey. The move to AIM is an extensive regulatory process which involves detailed financial and legal due diligence into all aspects of the Group, which is always a useful validation of our governance processes.

The move to AIM resulted in some necessary Board changes, with co-founders Brian Message and Craig Newman transitioning from Executive Co-Chairmen to Executive Directors and my own transition from Independent Non-Executive Director to Independent Non-Executive Chair. We also welcomed Cliff Fluet to the Board as another Independent Non-Executive Director; Cliff has excellent knowledge and experience of the emerging dynamics of the music industry; we are delighted to have him on the Board and look forward to working with him.

As your Chair, one of my key responsibilities is to ensure good governance. This starts with having an engaged Board that is close to the business, adds value to strategy and competently manages risk. I am satisfied that the current structure of the Board provides these and will continue to keep the balance under review.

Important changes were also made to our senior management team including the recruitment of James Patterson as Chief Operating Officer. James joins the team that is key to our integrated artist services and fan data strategy and the expansion of our artist roster through organic growth as well as the ongoing enhancements in operational efficiencies across the Group.

The investor roadshows conducted as part of the AIM transition generated a lot of interest from existing and new shareholders, which is a pleasing confirmation of the articulation of our current strategy. We were delighted to raise £8.6m, which exceeded our expectations. I would like to express my thanks, on behalf of the Board, for the support shown by our loyal shareholders to date and for the confidence shown in us from our new shareholders.

# Chair's statement continued

## A purpose-built, integrated business model

Over recent years, through targeted acquisitions and strategic partnerships, the Group has developed an integrated services model designed for the new data-driven era of music. With more than 1,000 artist relationships across Group activities, we are privileged to work with some of the most exciting and influential talent in the industry.

This integrated footprint - spanning talent management, live touring, merchandising, e-commerce, digital engagement, livestreaming, and audience analytics - gives us an unparalleled ability to understand and activate the multitude of ways in which fans and artists interact. It places the Group at the forefront of the fast-growing shift toward direct-to-fan commerce and engagement.

Our data-led approach is central to this. By unifying previously fragmented fan signals across ticketing, streaming, merchandise, and digital channels, we are building a connected view of audience behaviour that enhances decision-making across the Group. This is not just operational efficiency - it is an emerging form of intellectual property that we believe will deliver significant long-term value.

As the music industry places emphasis on sustainable value creation and direct access to first-party fan data, the Group's integrated services model provides a strong platform for future growth.

## Other important developments and our strategy for FY26

We continue to grow organically and by acquisition across our key business segments of Representation, Services and Events. In the former, we acquired a controlling interest in Easy Life Group, an electronic music management and record label; we also launched ROAM, our live bookings agency, unifying ATC Live and its partner North American agency Arrival, which has created the fifth largest global music agency. In Services we took back full ownership of our livestreaming business Driift and added Control Industry Inc to the US activities of our merchandise business Sandbag. In Events, we added two well established music venues in Brighton – Concorde2 and Volks – and established an interest in two of the most successful music festivals in the country – Pride Brighton and On the Beach. In addition, we successfully launched "Hamlet Hail to the Thief", our co-production with the Royal Shakespeare Company, and a clear demonstration of how we can collaborate with our artist clients to generate new IP in which we participate.

Our integrated services model continues to drive commercial momentum. Our client base is both diversified and deeply embedded across a range of activities, and we are focussed on introducing our full suite and range of services to our clients. Our fan data strategy will further enhance our commercial attractiveness and appeal to existing and prospective artists and help to drive organic revenue growth. Our key performance indicators of artists using at least two or three of our services are already showing healthy improvement.

## Our people

People work for ATC because of their passion for the music industry and to play a key part in helping our artists become and continue to be commercially successful across as many elements of the value chain as possible. This requires great dedication and often involves working unsociable hours, especially during key active periods of artists' activities such as live touring.

It is always pleasing to see individuals and teams recognised for their successes in the various music industry awards and we were delighted to see these again in 2025. All our people can be very proud of the journey and achievements of ATC and its component businesses to date, especially the senior management team that has tirelessly and relentlessly driven our growth and innovation. Our success is driven by the talent, creativity, and commitment of colleagues across every area of the business. On behalf of the Board, I would like to extend my sincere thanks to them for their exceptional contribution during the year.

## Outlook

2025 has been a year of significant achievement and momentum. The research we undertook as part of our transition to AIM, and as part of our routine strategic thinking, continues to confirm the extensive opportunities available to us in the various components of the music industry value chain. We have available funds, industry and artist connections and, most importantly, an energised and experienced team, supported by technology and tools. Coupled with prudent cost management and strict management of capital allocation, we are well placed to take advantage of the shifts in the industry and go into 2026 with confidence.

# **Chair's statement** continued

As is typical for the Group, revenues and profitability are weighted towards the second half of the year, reflecting the seasonality of the live music calendar and the concentration of touring and festival activity in the summer months. We have started the year in line with our expectations, and with a strong platform in place, an expanding and talented team, and substantial long-term market opportunities ahead, the Group is well positioned to continue its positive trajectory in 2026 and beyond.

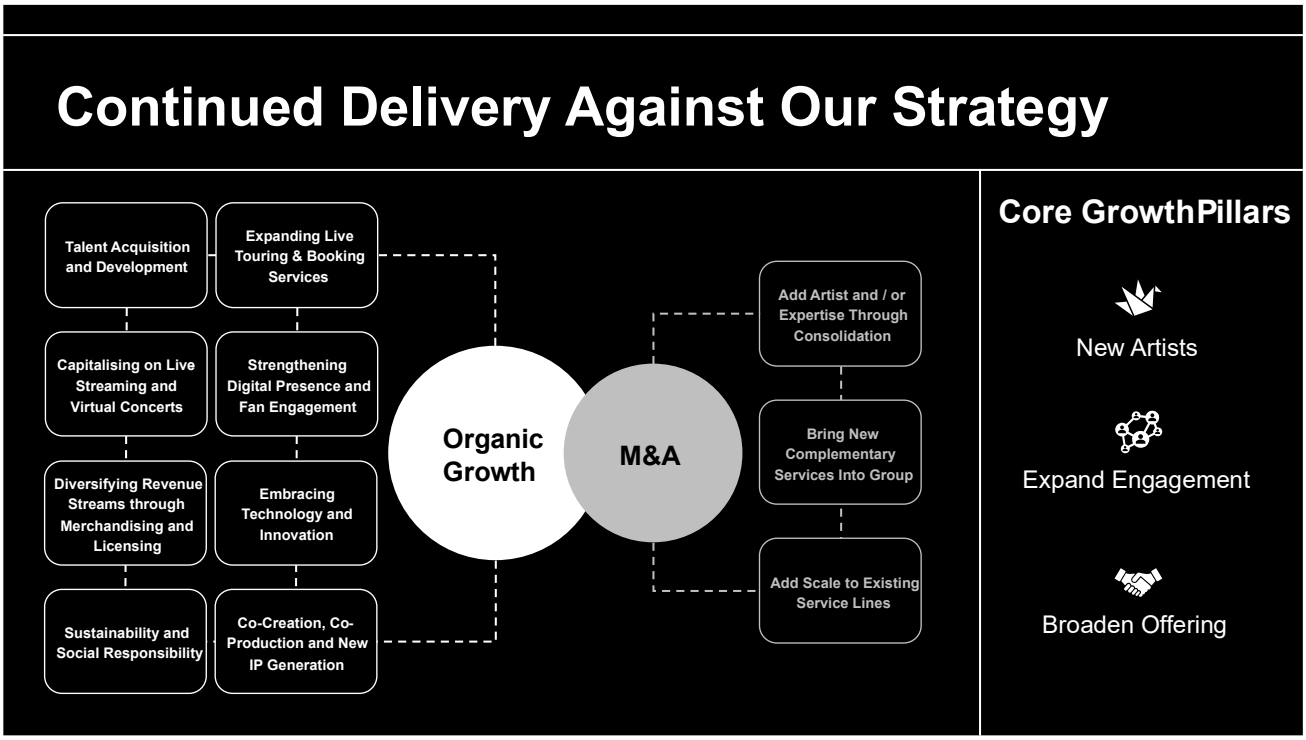


**Andy Glover**
**Chairman**

**2 June 2026**

# Strategy

## Our growth strategy




The Group's growth strategy focuses on expanding its integrated approach to talent management, live booking, live-streaming, and artist services, while continuing to deepen relationships with artists across multiple service lines.

Through this approach, the Group aims to enable artists to maximise their commercial potential by harnessing and optimising fan data, whilst broadening ATC's participation across the music industry's multiple revenue streams. The strategy is designed to deliver sustainable, scalable growth, aligning ATC closely with artists' evolving needs and the global transformation of the music ecosystem.

The global music industry continues to experience its most sustained period of structural growth in decades. After years of decline following the collapse of physical sales, the emergence of streaming and direct-to-fan models has created a recurring and scalable global revenue base. According to Goldman Sachs (Music in the Air, 2025), the sector is forecast to grow at a compound annual rate of 6-8% through 2030, with total revenues expected to approach $200 billion by 2035.

Growth is being driven by the expansion of paid streaming subscriptions, rising average prices, and the resilience of live music, supported by new monetisation channels such as short-form video, gaming, and experiential formats. This diversification has created a more robust and balanced ecosystem that continues to attract capital, talent, and innovation.

The live music market remains one of the most dynamic areas of growth. Analysts expect global live revenues to reach $38.6 billion in 2025, rising at a CAGR of 8.8% to $62.6 billion by 2034 (Custom Market Insights). Despite inflationary pressures, audiences continue to prioritise live events, which have become central to cultural identity, particularly among younger demographics.

For ATC, this presents a significant opportunity to expand its live operations through ROAM, Joy Entertainment, and ATC Experience - enabling artists to capture a greater share of live value across touring, venues, and hybrid formats such as livestreaming and immersive events.

At the same time, the recorded music sector continues to expand steadily, with global revenues reaching $29.6 billion in 2024, a 4.6% year-on-year increase (IFPI). Streaming remains the dominant driver, now accounting for nearly 70% of total revenues, with subscriptions up 9.5% and ad-supported formats growing 1.2%. The introduction of superfan tiers, dynamic pricing, and artist-centric payout models - which reward genuine fan engagement - aligns directly with ATC's artist-first philosophy and supports its strategy to help artists retain ownership while capturing more value per listener.

The UK music industry continued to demonstrate strong momentum in 2024, generating a record £8.0 billion in Gross Value Added (GVA) and supporting approximately 220,000 jobs, according to UK Music. International demand remained robust, with exports reaching £4.8 billion, reflecting the sustained global appeal of British talent.

# **Strategy** continued

These positive industry dynamics support ATC's strategic focus on international growth, live touring and cross-border revenue development, positioning the Group to benefit from continued expansion in global music markets.

To deliver its growth strategy, the Group will build artist-first ecosystems at scale and continue to employ the following strategies across its core service areas. These initiatives are designed to strengthen ATC's integrated business model, deepen client relationships, broaden revenue streams, and enhance long-term shareholder value.

## Talent Acquisition and Development

**Objective**: Expand and diversify the number of artist businesses we work with by identifying potential new clients: both emerging talent; and established talent seeking new representation, while driving the long-term growth of our existing clients' businesses.

**Initiatives**:

- **Talent Scouting**: Personnel are engaged to actively seek out new emerging talent.
- **Industry Outreach**: We maintain regular communication with key stakeholders in our industry which enables us to keep informed of new client opportunities.
- **Representation**: We are committed to building a roster and delivering goods and services that reflect global culture and resonate with a wide fanbase.

## Expansion in Live Touring and Booking Services

**Objective**: Increase the scope and reach of the Group's live booking and touring segment.

**Initiatives**:

- **ROAM Global Touring:** Build on the establishment of ROAM - the fifth-largest global agency - to deliver a fully integrated independent touring platform across Europe and North America.
- **Agent Development and Recruitment:** Strengthen talent representation by recruiting experienced agents and developing the next generation of promoters and tour managers.
- **Venue Growth and Investment:** Expand ATC's footprint in venue ownership and management to enhance recurring live revenues and develop new experiential concepts.
- **Promoter Relationships:** Maintain and develop long-term relationships with promoters across all key territories to secure premier touring opportunities for our artists.

## Data-Driven Growth and Fan Engagement

**Objective**: Leverage proprietary fan data and technology to deepen engagement, enhance marketing effectiveness, and unlock new direct-to-fan monetisation opportunities.

**Initiatives**:

- **Proprietary Fan Platform**: Develop a B2B data platform to consolidate and activate fan data, creating an artist-first data engine that drives more meaningful engagement and measurable results.
- **CRM and Analytics:** Expand the use of CRM tools, analytics, and digital marketing to better understand audience behaviour and target communications.
- **Direct-to-Fan Commerce:** Increase revenue through personalised marketing, targeted campaigns, and tailored merchandise and ticketing initiatives.
- **Fan Insight Integration:** Use aggregated data insights to help artists optimise touring routes release strategies, and fan engagement models.

# **Strategy** continued

## Selective Acquisitions and Revenue Diversification

**Objective**: Expand and strengthen the Group's revenue base by selectively broadening ATC's service capabilities through strategic acquisitions and complementary business development, supporting sustainable long-term growth.

**Initiatives**:

- **Strategic Expansion:** Identify and pursue targeted acquisition and development opportunities that enhance ATC's integrated service offering and align with the Group's long-term vision within the global artist economy, including areas such as merchandising, digital fan engagement, livestreaming and management services.
- **Recent highlights:** The acquisitions of Control Industry (US merchandising), Easy Life Group (music management and record label), and full ownership of Driift (livestreaming) strengthened ATC's integrated offering and diversified its revenue streams. Post-balance sheet, the Group acquired Push Media Ventures, a UK-based technology services business providing digital marketing, data analytics, fan engagement, and e-commerce solutions to the music industry, further extending the Group's capabilities across the full artist revenue lifecycle.
- **Operational Efficiency:** Focus on effective integration and synergy realisation across acquired businesses to drive scale, improve operational efficiency and enhance margins.

## Co-Creation, Co-Production and New IP Generation

**Objective**: Seize opportunities for co-creating and co-producing new intellectual property (IP) through live events, experiences, and innovative partnerships.

**Initiatives**:

- **IP Development**: Co-create and co-produce new IP across live, digital, and immersive formats, leveraging ATC's network of artists, brands, and partners.
- **Hybrid Experiences**: Integrate live performance with digital and streaming technologies to develop high-impact, multi-channel events.
- **Creative Collaboration**: Partner with global brands and media entities to deliver new experiential projects that drive both fan engagement and commercial returns.

## International Expansion

**Objective**: Grow ATC's global presence in key territories, deepening its footprint across North America, Europe, and high-potential emerging markets.

**Initiatives**:

- **Geographic Expansion:** Leverage ATC's offices in London, Los Angeles and New York, to drive international artist development and cross-border touring.
- **Strategic Partnerships:** Strengthen international collaborations, including partnerships in Asia and emerging markets, to connect Western artists with global audiences.
- **Localised Market Access:** Develop region-specific strategies that align artists with local fanbases, brand partners, and digital ecosystems.

# CEO Review

## A defining year of strategic progress and international expansion

2025 was a defining year for ATC Music Group, marked by significant strategic progress and the continued evolution of the business as a leading international, independent music company. In 2026, the Group rebranded from All Things Considered Group plc to ATC Music Group plc, and we are pleased to present our results for the first time under the ATC Music Group name. This change reflects the way our complementary companies now work within a single, integrated organisation, enabling us to deliver a scaled, transformational offering to artists and partners. As the Group continues to grow, operating as one unified business supports a more robust organisational structure, a scalable operating model and a clear platform for long-term value creation.

In December 2025, ATC successfully transitioned its listing from the AQSE to AIM, the London Stock Exchange's growth market, raising £8.6 million in gross proceeds. Admission to AIM represents a significant milestone in the Group's development, enhancing ATC's visibility, credibility and profile within the capital markets. AIM provides access to a broader investor base and offers a strong platform to support the next phase of the Group's growth.

I would like to thank both our existing and new shareholders for their continued support and confidence in ATC. The funds raised in December enable us to continue investing in our artist representation and service offerings while accelerating execution of our growth strategy, with a particular focus on the development of our proprietary data platform. The intelligent use of data will sit at the heart of the evolving artist-to-fan engagement economy and will play a defining role in shaping the music industry over the coming years. We remain focused on disciplined growth and on delivering sustainable long-term value for all stakeholders.

### Performance review

2025 was another strong year of growth for the Group, with revenues increasing to £67.4 million (FY24: £50.9 million). This represents the highest revenue level in the Group's history, following consistent year-on-year increases and an approximate 8.5-fold expansion over the past five years, demonstrating the successful execution of our organic and acquisitive growth strategy. During the year, we not only delivered strong top-line performance but also laid the groundwork for an exciting next phase of development, making clear progress in strengthening the operational and commercial foundations of the business. Adjusted EBITDA was £1.3 million compared with £1.6 million in the prior year, reflecting continued strategic investment to support future growth.

The Group's cash position strengthened significantly during the year. At 31 December 2025, cash balances totalled £21.4 million including client funds, and £18.9 million excluding client funds (31 December 2024: £9.7 million and £7.8 million respectively). The year end position benefited from the £8.6 million gross proceeds raised in December 2025 in connection with the Company's transition to AIM, together with disciplined cash management alongside continued investment in strategic acquisitions to support long-term growth.

### Strategic growth and expansion

During the year, ATC expanded its market reach and enhanced its service offering through a number of targeted acquisitions and investments. These included the acquisition of full ownership of Driift Holdings Limited in February 2025, the purchase of a majority stake in two established Brighton music venues, and the acquisition of a 75% controlling interest in Easy Life Group, a music management and record label business.

We also continued to grow our Events segment. This included the addition of two new venues in Brighton, the successful delivery of a number of large-scale outdoor events in the city, and the launch of "Hamlet Hail to the Thief", our co-production with the Royal Shakespeare Company. These initiatives reflect our strategy to diversify revenues, deepen audience engagement, and provide artists with access to a broader range of creative and commercial opportunities.

### ROAM: Creating a global independent booking agency

In September 2025, ATC launched ROAM, following the unification of ATC Live and its North American partner business, Arrival Artists, into a joint venture that has created the largest independent booking agency globally by roster size and the fifth largest agency overall. The formation of ROAM represents the culmination of several years of strategic development and investment and demonstrates ATC's ambition to build global scale while retaining independence.

Shortly after launch, ROAM was awarded Booking Agency of the Year, winning against strong competition from established global players. Achieving this recognition so soon after formation is a significant accomplishment and a real credit to the entire ROAM team. The planning, launch and early momentum of the business have been exceptionally well executed, and this endorsement from industry peers reinforces our confidence in ROAM's long-term potential. We believe this marks the beginning of an exciting new phase for the agency.

# CEO Review continued

## Integrated services driving commercial momentum

Artists remain at the centre of the Group's strategy. As the music industry continues to shift towards greater artist empowerment and control of rights, ATC's integrated, artist-led platform provides a clear competitive advantage.

During the year, the Group expanded its client base to approximately 1,000 artists (FY24: approximately 800) and continued to deepen engagement across multiple service lines. The strength of our integrated model is evidenced by the increasing number of artists utilising more than one Group service, which rose by 44% during the period, driving a corresponding increase in cross-service revenue year-on-year and demonstrating the tangible commercial benefits of our platform strategy.

Through disciplined acquisitions and strategic partnerships, we have built a scalable, end-to-end music services platform spanning talent management, live touring, merchandising, e-commerce and digital engagement. Our data-led approach integrates fan insights across channels, strengthening direct-to-fan relationships and enhancing monetisation opportunities. This integrated capability not only diversifies revenue streams but also increases lifetime value per client, positioning the Group strongly for sustained growth in the years ahead.

## Strategy in action

In 2025, ATC successfully delivered a large-scale innovation in fan engagement and sustainable touring through the implementation of a private ticket ballot system for one of our key artist's European tours. Co-ordinated by ATC and powered by OpenStage, the initiative was designed to ensure fair ticket access, reduce ticket scalping, and minimise the environmental impact of fan travel.

The secure, data-driven process prioritised genuine fans through SMS verification and regional venue allocation, helping to reduce unnecessary long-distance travel by matching fans to their nearest hub. A 48-hour sign-up and verification window enabled comprehensive bot detection and prevented fraudulent registrations, maintaining both transparency and the integrity of the artist–fan relationship.

The campaign achieved exceptional engagement:

- 1.5 million global registrations, with 959,884 bots identified and blocked
- 1.8 million contactable fans added to mailing lists, representing a 409% increase
- 88% email opt-in rate, enhancing future fan communication and marketing effectiveness

This initiative not only delivered a fairer and more sustainable ticketing model but also demonstrated ATC's ability to leverage technology, partnerships, and fan data to strengthen artist relationships and long-term commercial opportunities across the Group.

## Strengthening our US platform

During the year, ATC acquired the assets of Control Industry Inc, a US-based full-service merchandise management business led by its founder and CEO, Ricky Riker. Control Industry provides turnkey merchandising solutions across product design, manufacturing, digital services, retail, licensing and IP support, and brings with it deep industry expertise and established client relationships.

The acquisition marks a step change for ATC in the United States, broadening Sandbag's offering and further strengthening its foothold in the region. Ricky Riker has been appointed President of Sandbag USA, joining the business alongside three experienced team members. Their addition enhances the division's sales capability and provides greater capacity to accelerate growth in the US market. We are confident that this acquisition will significantly strengthen ATC's ability to support artists with a full suite of services in one of the world's most important music markets.

## Board and leadership

During the year, the Board was further strengthened through a number of key appointments. The Directors are delighted to confirm that, as previously announced, Cliff Fluet has been appointed as a Non-Executive Director of the Company. Cliff brings extensive experience in music, media and entertainment law, alongside deep sector knowledge and strong governance expertise.

In addition, Andy Glover was appointed Non-Executive Chair of the Board. Andy brings a strong track record of leadership, strategic oversight and capital markets experience, and his appointment further enhances the Board's ability to support management in executing the Group's long-term growth strategy while maintaining high standards of governance.

# **CEO Review** continued

The Board was also pleased to welcome James Patterson as Chief Operating Officer of ATC Music Group plc. James is responsible for overseeing the Group's operational and technological functions and is focused on driving efficiency, standardising processes across the Group, and ensuring that ATC's operations, systems and infrastructure are appropriately scaled to support the Group's ambitious growth strategy. Working closely with the Chief Executive Officer and Chief Financial Officer, James supports the integration of subsidiaries, harmonisation of workflows, and implementation of scalable solutions across finance, technology and operations. Drawing on his extensive operational leadership experience, he is focused on building a unified platform that underpins ATC's integrated services model, while strengthening business intelligence, risk management and operational resilience.

## Market outlook and strategic positioning

The global music industry continues to experience both sustained growth and profound structural change. Following the prolonged decline that followed the collapse of physical music sales, the emergence of streaming and direct-to-fan engagement models has created a scalable, recurring and increasingly global revenue base. According to Goldman Sachs (Music in the Air, 2025), the sector is forecast to grow at a compound annual rate of between 6% and 8% through to 2030, with total industry revenues expected to approach $200 billion by 2035.

Growth is being driven not only by the continued expansion of paid streaming subscriptions and rising average revenue per user, but also by the resilience and evolution of live music. Live performance has reasserted itself as a cornerstone of the modern music economy, supported by new monetisation channels including short-form video platforms, gaming, brand partnerships and experiential formats. Together, these dynamics have created a more diversified and resilient ecosystem that continues to attract capital, talent and innovation.

At the same time, the industry is undergoing a fundamental transformation. Technological advancement, changing consumer behaviours and increasingly empowered artists are disrupting traditional business models and challenging legacy industry structures built around fragmentation and intermediaries. A defining feature of this shift is the growing importance of first-party fan data. As platforms fragment and artists seek greater control over their careers, direct access to audiences has become critical to effective touring, pricing, merchandising, content strategy and long-term value creation. Ownership and intelligent use of this data now represent a clear break from historical industry norms.

There has also been increased focus on the rise of highly engaged and loyal audiences, often referred to as superfans, creating new opportunities for monetisation and more direct economic relationships between artists and their fans. This shift is driving a structural change in how music and live experiences are created, marketed and monetised.

Against this backdrop, ATC has continued to evolve its operating model. Central to the Group's future success is the development of its integrated artist services approach, supported by a newly formed Integrated Artist Services team. This team is focused on connecting artists with their fans in more innovative and impactful ways, using data to deliver more personalised experiences and deeper engagement. By bringing together talent, data, fans and experiences, the Group aims to reduce inefficiencies created by traditional industry fragmentation and to build a more streamlined, fan-first model.

The live music market remains one of the most dynamic areas of growth within this evolving landscape. Global live revenues are expected to reach $38.6 billion in 2025, growing at a CAGR of 8.8% to $62.6 billion by 2034 (Custom Market Insights). Despite inflationary pressures, audiences continue to prioritise live experiences, particularly among younger demographics. For ATC, this presents a compelling opportunity to expand its live operations through ROAM, Joy Entertainment and ATC Experience, enabling artists to capture a greater share of value across touring, venues and emerging hybrid formats such as livestreaming and immersive events.

The Group's integrated platform spans representation, live touring, venues, merchandising, digital engagement and audience analytics, allowing artists to engage with the elements of the offering that best suit their needs or to benefit from a fully integrated solution. Importantly, this model keeps artists in control of their data while providing the tools and insight needed to grow sustainable, long-term businesses. The Directors believe this collaborative, data-led approach places ATC at the forefront of the emerging creative artist economy.

## Looking ahead

ATC enters the next phase of its development with a strong platform, an expanded international footprint and a clear strategic focus. The Directors believe that the Group's diversified business model, combined with its proven track record and disciplined approach to growth, positions ATC well to capitalise on future organic and acquisitive opportunities in a rapidly evolving industry.

Our recent acquisitions of Push Media Ventures and Cirkay Limited will help to accelerate that growth as the increasing shift to direct-to-fan economics puts more opportunity in the hands of artists and their direct representatives. The integration of improved data platforms and CRM solutions across the Group, delivered by Push, will give us a substantial competitive advantage.

# CEO Review continued

By continuing to invest in talent, data and integrated services, the Group is well placed to participate in, and help shape, the next trajectory of growth within the global music industry. We look forward to the year ahead with confidence and optimism and would like to thank colleagues across the Group for their continued dedication, as well as the Board, advisers and shareholders for their ongoing support. We remain firmly committed to delivering sustainable growth and long-term value for all stakeholders.

## Segmental performance review

The Group is structured across three segments: Representation, Services and Events. All three segments showed strong revenue growth during 2025, supported by the strategic acquisitions of Easy Life Group and the two established music venues in Brighton.

**Representation**

Revenue in the Representation division increased by 26.8% to £14.4 million in 2025 (2024: £11.4 million), underpinned by strong performance in ATC Management. New managers and artists, along with the integration of Easy Life Group, contributed to strong revenue growth. Some highlights include:

- The formation of ROAM, through the merger of ATC Live and Arrival Artists, established the Group as the fifth largest agency globally, strengthening our scale and competitive position in live representation.
- ROAM won "Agency of the Year" at the LIVE Awards.
- ROAM booked 6,800 shows in 2025, representing circa 600 artists.

**Services**

The Services division saw 26% growth, reaching £45.4 million in 2025 (2024: £35.9 million). The acquisition of Control Industry Inc strengthened our US merchandising capability aligned with our Direct-to-Fan strategy. We continue to see increased uptake of Sandbag's services from clients across the Group, with opportunities for further growth in the UK, US, and Europe.

- Serviced 1,600+ live events (FY24: 1,400), attended by over 9 million people (FY24: 6 million people).
- E-commerce sales grew 7% to £16 million, with 940,000 units (FY24: £15 million in revenue, 630,000 units).

**Events**

The Live Events and Experiences segment, our newest business unit, also showed excellent growth of 147%, generating revenue of £7.5 million in 2025 (2024: £3.0 million), with the performance driven by the acquisition of Concorde 2 and Volks, two established music venues in Brighton.

## Current trading and outlook

Looking ahead, we enter the new financial year with confidence. The foundations we have strengthened over the past twelve months - operationally, commercially and financially - position ATC to continue scaling with discipline. Our integrated platform, expanding artist base and growing cross-service engagement provide increasing visibility over revenues and multiple avenues for growth.

Post year end, we further strengthened our technology capabilities through the acquisition of 100% of Push Media Ventures, a UK-based technology services business providing digital marketing, data analytics, fan engagement and e-commerce solutions to the music industry. Push also developed Cirkay, a technology platform designed to create a lasting link between artists and their fans. At the centre of the platform is Cirkay Fan Pass, a digital key that unlocks exclusive perks and engagement opportunities across multiple platforms, enabling seamless interaction between artists and their communities.

Push and Cirkay bring proven technology capabilities that strengthen our ability to support artists in building deeper relationships with their audiences. We have previously utilised these technologies with a number of our artist clients and have seen substantially improved fan engagement and stronger economic outcomes as a result. The acquisition enables us to embed these platforms more deeply across our operations, accelerating our strategy of building a fully integrated, data-led artist services company at scale. Push and Cirkay provide complementary technology and services capabilities to the Group's current offering and align closely with our overarching data and technology strategy. The Board believes that ownership of these businesses will enable the Group to further integrate technology within its existing operations, strengthen its direct-to-fan infrastructure and support the continued development of a data-driven artist ecosystem.

# **CEO Review** continued

With a strong balance sheet, a clear strategic focus and a differentiated market position, we believe the Group is well placed to build on its momentum, deliver sustainable long-term value and further establish ATC as a leading, artist-centric music services business.



**Adam Driscoll**
**Chief Executive Officer**

**2 June 2026**

# Financial review

## Another year of strong revenue growth

I am pleased to present the Group's first Annual Report following our successful transition to the AIM market. The year represented another period of strong revenue growth, reflecting both the continued momentum of the underlying business and the benefits of our diversified service model.

**Overview**
2025 was a highly successful year of growth, with Group revenues increasing to £67.4 million (2024: £50.9 million). Adjusted operating EBITDA was £1.27 million (2024: £1.63 million). Revenue growth was delivered across all segments (with the exception of rights), driven by continued organic expansion alongside the successful execution of our acquisition strategy. A number of earnings-enhancing acquisitions completed during the year further strengthened the Group's platform and contributed meaningfully to revenue growth.

Adjusted operating profit was slightly lower year-on-year, reflecting deliberate investment across all segments to support future revenue expansion. Central costs increased as the Group invested in additional headcount and infrastructure to advance its data-driven, direct-to-fan strategy and further develop its integrated service offering.

| Key Statistics | **2025 £'000** | 2024 £'000 | Variance £'000 |
|---|---|---|---|
| Revenue | **67,447** | 50,853 | 16,594 |
| Gross profit | **19,284** | 15,369 | 3,915 |
| Adjusted operating EBITDA | **1,274** | 1,626 | (352) |
| Depreciation, amortisation and impairment | **(2,222)** | (1,613) | (609) |
| Share-based payment charge | **(22)** | (41) | 19 |
| Exceptional items | **(1,044)** | (173) | (871) |
| Operating loss | **(2,014)** | (201) | (1,813) |
| Net finance income/(costs) | **(704)** | 316 | (1,020) |
| Tax | **(470)** | (161) | (309) |
| Loss for the year after tax | **(3,190)** | (270) | (2,920) |
| Basic and diluted earnings per share (pence) | **(19.01)** | (3.78) | (12.86) |

**Revenue**
Revenue for 2025 increased to £67.4 million (2024: £50.9 million), representing growth of 33%. This strong performance was driven by a combination of continued organic expansion and strategic acquisitions, which have significantly enhanced the Group's value proposition and scale.

Growth was delivered across all segments with the exception of Rights, which has not been a core strategic focus to date. The Services division performed particularly strongly following the strategic US acquisition of Control Industry Inc, while Events benefited from venue acquisitions completed during the year.

The Group's artist client base has expanded to over 1,000 artists and, together with recent acquisitions, this has broadened our market reach and strengthened our ability to deliver a fully integrated service offering across representation, live touring, digital engagement, ticketing and merchandising.

The segmental analysis of revenue is as follows:

| Revenue | **2025 £'000** | 2024 £'000 | Variance £'000 |
|---|---|---|---|
| Representation | **14,444** | 11,395 | 3,049 |
| Services | **45,375** | 35,873 | 9,502 |
| Events | **7,523** | 3,046 | 4,477 |
| Rights | **105** | 539 | (434) |
| **Total** | **67,447** | 50,853 | 16,594 |

**Representation**
The revenue of our Artist Representation segment increased by 26.8% from £11.4 million in 2024 to £14.4 million in 2025, attributable mainly to the following:

- **ATC Management:** ATC Management delivered revenue growth of 24% to £4.6 million (2024: £3.7 million), driven by an expanded roster of managers and strong UK touring activity from key client acts.

- **Easy Life Group:** In April 2025, we acquired a 75% stake in Easy Life Group, which generated £0.4 million in revenue since acquisition. The acquisition enjoys a long-term revenue stream with consistent returns and brings new opportunities to cross-sell additional integrated services across an enlarged customer base, further enhancing long-term value for the business.

# Financial review continued

**Services**
The Services segment delivered strong growth during the year, with revenue increasing 26% from £35.9 million to £45.4 million, driven by increased income from a major artist undertaking a touring cycle during the period as well as the acquisition of Control Industry Inc. in October 2025. The acquisition established and strengthened our US merchandising capability, providing a scalable platform supported by an experienced sales team and contracted client relationships. The acquisition brings significant industry expertise and a well-established client base, including high-profile artists and major retail partners. It represents a step change for ATC in the US, broadening Sandbag's capabilities, strengthening its regional presence and driving increased uptake of merchandising and direct-to-fan services across the wider Group.

**Events**
The Events division delivered significant growth during the year, with revenue increasing by 147% from £3.0 million to £7.5 million. This performance was primarily driven by the acquisitions of two music venues, Concorde 2 and Volks in Brighton, which have materially expanded the Group's live events footprint.

The addition of these venues aligns with our strategic ambition to provide a fully integrated service offering, supporting artists across every stage of their careers. It further strengthens our music services platform and enhances our ability to create deeper and more direct connections between artists and fans. These developments position the Group to capitalise on sustained demand for high-quality live experiences and to build long-term value within the live events segment.

**Adjusted performance measures**
The Group uses adjusted measures as key performance indicators, in addition to those reported under IFRS, as they are more representative of the underlying performance of the business and enable comparability between periods. These adjusted measures exclude certain non-operational and exceptional items and have been consistently applied in all years presented.

**Adjusted operating EBITDA**
Adjusted operating EBITDA is a non-statutory performance measure that the Group monitors closely as part of its management reporting function. It is defined as the operating result before interest, tax, depreciation, amortisation, impairment, exceptional costs and before the share of results of associates and joint ventures. We use this metric as it excludes the significant charge arising from the amortisation of intangibles arising on acquisitions, often over short useful economic lives; it also represents the profit measure that is under the control of our operating teams.

The adjusted profit measures can be reconciled to the reported statutory numbers as follows:

| | **2025 £'000** | 2024 £'000 | Variance £'000 |
|---|---|---|---|
| Operating loss | **(2,014)** | (201) | (1,813) |
| Depreciation, amortisation and impairment | **2,222** | 1,613 | 609 |
| Share-based payment charge | **22** | 41 | (19) |
| Exceptional items | **1,044** | 173 | 871 |
| Adjusted operating EBITDA | **1,274** | 1,626 | (352) |

The segmental analysis of adjusted operating EBITDA is as follows:

| Adjusted operating EBITDA | **2025 £'000** | 2024 £'000 | Variance £'000 |
|---|---|---|---|
| Representation | **1,773** | 2,554 | (781) |
| Services | **1,251** | 328 | 923 |
| Events | **96** | (397) | 493 |
| Rights | **54** | 104 | (50) |
| Central costs | **(1,900)** | (963) | (937) |
| **Total** | **1,274** | 1,626 | (352) |

Adjusted operating EBITDA decreased year-on-year from £1.6 million in 2024 to £1.3 million in 2025. Strong performance in Services and Events, driven by acquisitions completed during the year, was more than offset by increased investment in other areas of the business, particularly Representation and central functions. These investments included additional headcount and continued development of infrastructure to advance our data-driven, direct-to-fan strategy and integrated service offering. The Group remains committed to disciplined, strategic investment to strengthen its platform and support sustainable long-term growth.

**Net finance income/(costs)**
Net finance income/(costs) increased year on year by £1,020,000. This movement is largely driven by the accounting treatment of the put and call option liability in respect of Sandbag. The remeasurement of this liability resulted in a £624,000 impact to net finance income in the year. In the prior year, a gain was recognised following the fair value remeasurement of the liability, whereas in the current year the liability increased, giving rise to a charge. The option remains unexercised at the date of this report. The year end valuation was determined in accordance with the option pricing mechanism set out in the Shareholders' Agreement. In previous years, the valuation was based on a calculated value with an appropriate discount factor applied.

# **Financial review** continued

**Loss before taxation**
The loss before tax amounted to £2.7 million *(2024: loss before tax £0.1 million).*

As previously noted, the Group considers adjusted operating EBITDA to be the most appropriate measure of ongoing financial performance, as it excludes amortisation of acquired intangibles, non-trading items and the results of associates and joint ventures. Reported (loss)/profit before tax was significantly affected by such items in both 2024 and 2025.

| Loss before taxation | **2025 £'000** | 2024 £'000 | Variance £'000 |
|---|---|---|---|
| Representation | **616** | 1,999 | (1,383) |
| Services | **172** | (1,468) | 1,640 |
| Events | **(529)** | (394) | (135) |
| Rights | **54** | 104 | (50) |
| Central costs | **(3,033)** | (350) | (2,683) |
| **Total** | **(2,720)** | (109) | (2,611) |

Central costs were significantly higher in 2025, reflecting continued investment in infrastructure to support the Group's growth strategy. Exceptional costs also increased materially during the year, primarily driven by business combination expenses associated with M&A activity, together with costs incurred in connection with the Group's transition to AIM.

**Cash flow**
The Group reported year end net cash of £18.0 million after current debt (2024: £6.7 million), and a net cash position of £10.4 million after both current and non-current debt (2024: £4.1 million). Cash (own funds) increased significantly by £11.1 million during the year, benefiting from the £8.6 million gross proceeds raised in December 2025 in connection with the Company's move to AIM, alongside the impact of strategic investments in acquisitions undertaken to support long-term growth.

| | **2025 £'000** | 2024 £'000 | Variance £'000 |
|---|---|---|---|
| Cash and cash equivalents | **21,447** | 9,662 | 11,785 |
| Funds held on behalf of clients | **(2,596)** | (1,912) | (684) |
| **Own funds** | **18,851** | 7,750 | 11,101 |
| Short-term debt: | | | |
| Borrowings | **(233)** | (635) | 402 |
| Right of use lease liabilities | **(595)** | (394) | (201) |
| **Net cash after current debt** | **18,023** | 6,721 | 11,302 |
| Non-current borrowings: | | | |
| Bank loans and borrowings | **(4,728)** | (935) | (3,793) |
| Lease liabilities | **(2,869)** | (1,710) | (1,159) |
| **Net cash after current and non-current debt** | **10,426** | 4,076 | 6,350 |

**Operating cash flow**
Cash generated from operations increased to £5m (2024: £(2.2)m), resulting in net cash inflow from operating activities of £4.8m (2024: £(2.5)m). This improvement was primarily driven by favourable working capital movements during the year.

Overall, the Group's operating cash performance reflects the underlying growth in the business, alongside continued volatility in working capital driven by the timing of touring, settlements and client activity.

**Capital allocation, funding priorities and dividend**
The Board remains committed to a disciplined capital allocation policy that prioritises investment in the business to drive growth through targeted acquisitions. The Board believes that the opportunities ahead of the Group are significant and is confident in the long-term structural growth drivers supporting the business.

The Group maintains appropriate debt facilities to support its operations and acquisition strategy, with leverage managed on a prudent and sustainable basis. Existing cash resources, together with available facilities, provide sufficient capital to fund working capital requirements and pursue selective inorganic growth opportunities.

In light of the significant acquisition opportunities available, the Board does not anticipate paying a dividend in the near term, as it prioritises reinvestment in the Group's expansion strategy. The dividend policy will, however, remain under review as the business continues to mature.

# **Financial review** continued

**Balance Sheet**
The Group maintains a strong balance sheet, with net assets of £11.0 million (FY24: £7.1 million), supported by cash balances of £21.4 million at the year end.

Trade debtors and other receivables increased to £14.6 million (FY24: £8.2 million), reflecting the seasonality of revenues at the end of the year and a higher level of trading activity.

Trade and other payables increased from £15.8 million in FY24 to £28.0 million in FY25, with the majority of the increase relating to accruals and deferred income, which rose by 94% from £9.5 million in 2024 to £18.4 million in 2025. This reflects the timing of revenue recognition and associated costs, including merchandising activity at year end. The increase is broadly consistent with the 91% rise in trade debtors, compared to revenue growth of 33%, and is driven by normal seasonality and the phasing of touring and related income streams.

The Group has entered into a number of property leases which are accounted for under IFRS 16. As a result, right-of-use assets of £3.3 million (FY24: £2.0 million) have been recognised within tangible assets, together with corresponding lease liabilities of £3.5 million (FY24: £2.1 million).

**Going Concern**
The accounts have been prepared on a going concern basis. The Board has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, based on the projections for at least twelve months from the date of approval of the accounts.



**Deborah Lovegrove**
**Chief Financial Officer**
2 June 2026

# Engaging with our Stakeholders Section 172 statement

ATC Group shares are traded on AIM. The Board of Directors continues to review all options for delivering future growth and development of the business for the long-term benefit of our shareholders

The Board of Directors, in line with their duties under section 172 ("s172") of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term. We explain in this Annual Report, and below, how the Board engages with stakeholders. The Board regularly reviews the Company's principal stakeholders and how it engages with them. This is achieved through information provided by management and by direct engagement with stakeholders.

Set out below are some examples of how the Directors have exercised this duty:

## Stakeholders and how we engage

**Our shareholders**
The Board and management team maintains and fosters strong relationships with investors and supports open channels of communication. The Company actively initiates dialogues with shareholders, disseminating updates on Group activities and client engagements throughout the year. Additionally, the leadership conducts regular board meetings, engaging directly with key shareholders to deliberate on the strategic position and trajectory of the business.

Our AGM will be held in June 2026. This will provide an opportunity for shareholders to engage with the Directors and discuss the year's results.

Financial and other information is available through the RNS service and the Annual Report and on our website (www.atcmusicgroup.com) which is updated regularly.

**Our people**
Our people are fundamental to the success and sustainability of the Group. We rely on their skills, talent, motivation, and commitment to deliver services and client outcomes. People underpin the growth of the business, so recruiting and retaining the best talent are key focuses for management. We work hard to ensure our people are engaged, motivated, rewarded, and supported to succeed. We aim to provide an environment that prioritises employee well-being. We are building a culture of transparency, integrity, respect, and inclusion.

**The environment and ESG considerations**
The Group is committed to meeting its environmental responsibilities, including monitoring the impact of its business activities on the environment and to design and implement policies to reduce any damage to the environment that may be caused by its activities. The Group's activities are primarily office-based, with environmental impacts largely related to travel, touring and live events. The Board remains mindful of these impacts and will continue to review the Group's environmental responsibilities and future reporting requirements as the business grows.

**Streamlined Energy and Carbon Reporting (SECR)**
The Group is reporting under the Streamlined Energy and Carbon Reporting (SECR) requirements as a large UK company. The SECR data within the annual report has been collated using the GHG reporting protocol.

**Energy consumption and emissions**
The Group's total energy consumption and associated greenhouse gas emissions for the year ended 31 December 2025 are set out below:

| | Current year |
|---|---|
| Energy consumption (kWh) | 257,522 |
| Scope 1 emissions ($tCO_2e$) | 6.27 |
| Scope 2 emissions ($tCO_2e$) | 40.87 |
| Total emissions ($tCO_2e$) | 47.15 |

An intensity ratio has been calculated as follows:

- **$tCO_2e$ per £m revenue / per employee**: 0.70

# Engaging with our Stakeholders continued

**Methodology**
Energy use includes electricity, gas and fuel consumption across the Group's UK operations. Greenhouse gas emissions have been calculated using the UK Government's greenhouse gas reporting conversion factors.

Scope 1 covers the annual quantity of emissions in tonnes of carbon dioxide equivalent from emission sources that are under the operating control of ATC Music Group.

Scope 2 covers the annual quantity of emissions in tonnes of carbon dioxide equivalent resulting from the purchase of electricity by ATC Music Group for its own use.

Business Travel figures other than vehicle mileage have not been provided.

Where complete data was not available, reasonable estimates have been applied based on available information.

**Energy efficiency actions**
During the year, the Group has taken steps to monitor and improve energy efficiency across its operations where practical. This has included encouraging lower-carbon travel options, such as rail travel in place of air travel where feasible, and implementing energy-conscious practices within office environments, including responsible use of lighting and equipment. The Group is committed to meeting its environmental responsibilities and continues to assess the impact of its activities, implementing policies to reduce its environmental footprint where possible. Flexible working arrangements, including home working, continue to be supported, helping to reduce commuting-related emissions.

In addition, the Group has actively collaborated with LIVE Green to advance Green Sustainability Clauses, establishing industry-endorsed legal frameworks to support environmentally responsible touring. The Group has been a forerunner in implementing these clauses across its contracts and continues to work with LIVE Green to further develop and refine these measures as they are adopted in practice.

The Group will continue to develop its data collection processes and enhance the quality and completeness of its disclosures in future periods.

The Group has not taken advantage of any exemptions available under the SECR regulations.

**Social Impact and Community Engagement**
At ATC, we remain deeply committed to contributing positively to the communities in which we operate and to the broader music ecosystem. Our work this year has centred on supporting charitable initiatives, broadening access to the industry, and embedding responsible and inclusive practices across our Group.

**Support for Charitable Organisations**
Sandbag continued its long-standing support for War Child, contributing to initiatives that protect and empower children affected by conflict. The business also expanded its support for community causes through partnerships and targeted fundraising efforts.

At the ABBA Arena, Sandbag supported the charity Children in Need, with profits from a dedicated gala performance donated in full to the organisation. Our team also maintained its involvement in charitable activities within the local community, supporting organisations that work with vulnerable young people, grassroots music projects, and LGBTQ+ support services.

Additionally, Sandbag strengthened its collaboration with ELT Global on textile recycling, helping to reduce the environmental impact of merchandise production through responsible disposal and repurposing of materials.

**Commitment to Diversity, Equity and Inclusion**
ROAM remains a proud and committed signatory to the Key Change Pledge, reinforcing our objective of achieving greater gender representation and inclusivity across both our artist roster and our staff. Our pledges include:

- Ensuring that 50% of new roster additions comprise women and underrepresented genders;
- Continuing to work towards 50% representation of women and underrepresented genders within our workforce.

ROAM continues to partner with the Chris Meredith Foundation, which provides opportunities for individuals facing barriers to entering the music industry. This year, we supported two paid placements, extending one to twelve months, and CMF has committed to funding two placements concurrently next year. This partnership also provides vital mental health support to professionals across the industry.

# Engaging with our Stakeholders continued

**Commitment to Diversity, Equity and Inclusion** continued
Our work with Black Lives in Music (BliM) expanded this year, supporting workshops for our teams and contributing to the development of a new mentoring programme scheduled for rollout in 2026. We also collaborated with Youth Music to host our first “Intro to the Music Industry” day, welcoming ten individuals who have experienced significant barriers to entering the sector.

Across the Group, team members participate in external mentoring schemes, industry panels, and development programmes to help foster inclusion and broaden access to careers in the music industry. Our recruitment practices have also continued to evolve, with roles advertised through more diverse channels to ensure a wider pool of candidates.

**Employee Development and Workplace Culture**
We are committed to creating a supportive, inclusive, and psychologically safe work environment where staff are empowered to develop and grow.

This year, we introduced an Employee Assistance Programme (EAP) via WorkNest, providing all Group employees with access to confidential support services covering wellbeing, mental health, and financial and legal guidance.

Our development programmes include mentoring for junior agents, peer-to-peer workshops, structured check-ins, and regular performance reviews. We also continued our learning and development sessions focusing on communication, leadership, and navigating complex workplace interactions.

**Sustainability & Governance**
ROAM further advanced its collaboration with LIVE Green, continuing to develop and implement sustainability clauses within our artist contracts to encourage more environmentally responsible touring practices. These clauses are now widely embedded across our live business.

We remain committed to responsible environmental practices across the Group, working with partners such as ELT Global to improve recycling processes within merchandise supply chains and reduce waste across operations.

**Staff Engagement and Industry Representation**
Across the Group, staff are encouraged to actively participate in industry panels, conferences, and media engagements, contributing to sector-wide conversations about sustainability, diversity, artist development, and the future of live entertainment.

Our managers and senior leaders continue to represent ATC at major festivals and industry events, ensuring we remain connected to industry developments and maintain strong relationships with key stakeholders.

In addition, we continue to support our teams in participating in local initiatives, volunteering, and community activities, demonstrating our commitment to purposeful engagement beyond the workplace.

**Clients, suppliers and partners**
The Group aims to work responsibly and fairly with its stakeholders, including clients, suppliers and partners. The Group also maintains anti-corruption and anti-bribery, equal opportunities and whistleblowing policies.

# Engaging with our Stakeholders continued

**Our people**

**Why we engage**
- The sustainable success of our business depends upon our engagement with our people
- We engage to promote the Group's corporate culture and cascade our ethical values, behaviours and expectations
- We aim to create a positive and inclusive culture, sensitive to the issues that affect our people, so they can thrive and grow
- We engage to ensure that we continue to develop and invest in our highly talented and dedicated people in the right way

**How we engage**
- Encourage feedback, including via team surveys, employee forums and one-to-one discussions
- Regular business performance and strategy updates directly from our CEO, CFO and senior team
- Access to anonymous whistleblowing service

**Key topics of engagement**
- Need for a flexible working environment with support for team health and well-being
- Opportunities for growth and development and support in reaching full personal potential
- Embracing diversity and inclusion
- Environmental impact of our organisation: our work on ESG and commitments to sustainability

**Impact of engagement**
- Teams are informed and therefore engaged
- Increased and improved flexibility in working patterns
- Improved decision making on team structure and recruitment
- Improved focus on talent pipeline and development of succession planning
- Promotion of leaders from within our businesses, alongside new talent sourced externally
- Implementation of ESG initiatives

**Our clients and partners**

**Why we engage**
- Effective engagement is key to attracting, and retaining, a quality client and partner base from which we can nurture strong and long-term relationships, trust and credibility, and ethics (including anti-corruption and bribery, human rights and modern slavery)
- Our clients' and partners' success is driven by the quality of our products and services. We ensure continued investment in the right services and teams to enhance our relationships and create long-term value on both sides

**How we engage**
- Via regular one-to-one feedback discussions across multiple client touch points
- In-person and virtual meetings/events to provide opportunities for shared learning
- Hosting regular in-person small group events

**Key topics of engagement**
- Ongoing development and improvement of our services and client support
- Developing strategic relationships and identifying opportunities for growth and expansion
- Performance of our people delivering services

**Impact of engagement**
- Client retention: clients and partners have shown they value long-term relationships

# **Engaging with our Stakeholders** continued

**Investors and shareholders**

**Why we engage**

- We strive to develop our investors' understanding of our business model, strategic objectives and culture
- Through open and transparent engagement with the investor community, we aim to ensure the Group's operations and financial performance are clear and understood, and to provide the necessary information to ensure investors can make informed judgments about the Group
- Investors and analysts require our engagement on ESG to guide their investment stewardship activities

**How we engage**

- Publication of Annual Report and Accounts
- Regular and detailed trading updates to the market
- Availability of CEO and CFO to answer questions around trading updates throughout the year
- One-to-one investor meetings or calls with the CEO/CFO at the full year and interim results
- Detailed "Investor" section on the Company's website
- Annual General Meetings and availability of Chair of the Group Board and Chair of each Board Committee to answer questions
- Ad hoc meetings or written responses as requested by existing and potential shareholders and analysts

**Key topics of engagement**

- Group approach to ESG and corporate governance
- Group approach to diversity, equity and inclusion
- Financial performance
- Strategic priorities
- Market opportunity

**Impact of engagement**

- Improved investor knowledge and understanding of the Group, its operations and activities
- Investor relations activity and feedback discussed regularly at Board meetings and factored into decision making by the Group Board
- Improved transparency of Group information with open access investor relations content available on the Company's website

# Principal risks and uncertainties

**Managing risk effectively**
We recognise the importance of effective risk management and the need to mitigate potential threats which could adversely impact our operations, reputation and financial results. We have therefore developed our risk management framework and associated governance structures to help us safeguard our people, our customers and our business.

**Our risk governance and risk management process**
The Board is responsible for ensuring that risk is managed across the business. While we can never eliminate all risk, the Board considers that our risk assessment framework and governance structures are robust and provide assurance that we are effectively identifying, monitoring and managing risk.

The Group Risk Register is our principal tool for monitoring and reporting risk. It describes each principal risk, its potential impact, the likelihood of it materialising and any appropriate mitigating controls to reduce the risk to an accepted level. The Group's management is responsible for the identification, assessment and management of risk and emerging risk, as well as for designing and operating the system of internal controls. The board has assessed management's identification of risk and concluded that appropriate mitigating actions are being taken.

A risk register is updated and formally reviewed regularly by the Board. To ensure effective and accountable management of individual risks, each risk identified on the Group's risk register is assigned to a named risk owner. The risk owner has responsibility for the ongoing monitoring, review and mitigation of individual risks, with the aim of reducing these to acceptable levels.

**Key risks**
The Board monitors and assesses the risks faced by the Group across the business activities and territories in which it operates and has identified the following areas it considers to be most relevant.

**Key** ↑ Increased Risk → No Change of Risk ↓ Decreased Risk

| | ***Description*** | ***Mitigation*** |
|---|---|---|
| ***Loss of key artist***<br><br>*Change to risk →* | The Group's management and live agency divisions are dependent on a number of established artists for a significant proportion of revenue. There can be no assurance that relationships with key artists will be maintained or that new commercially successful artists will be secured. In addition, the commercial performance of individual artists may fluctuate over time. While the Directors believe the Group has strong relationships across a diversified roster, the loss of, or reduced contribution from, key artists could have an adverse impact on the Group's business, operating results and profitability. | This risk is mitigated by the Group's integrated services offering, which supports deeper, longer-term artist relationships and increased engagement across multiple service lines. The number of artists using more than one Group service has increased year on year, enhancing client retention and revenue resilience. The Group also continues to develop proprietary live events and experiential projects, which further embed artist relationships and extend engagement beyond traditional formats. In addition, diversification across management, live, merchandising and digital services, together with a strong track record of artist retention, reduces reliance on any single artist or revenue stream. |
| ***Attracting and retention of key personnel, including Directors, artist managers and agents***<br><br>*Change to risk →* | The Group's success depends on its ability to attract and retain key personnel, including Directors, artist managers and agents. The loss of, or inability to recruit, suitably qualified individuals could adversely affect the Group's operations and financial performance, particularly where managers or agents are closely associated with specific artists or client relationships. In addition, certain managers and agents operate under contractual arrangements rather than as direct employees, which may increase the risk of personnel loss. Failure to attract, retain or effectively deploy key personnel could have a material adverse impact on the Group's business, prospects and financial condition. | The Directors try to mitigate this risk by creating an environment which is based on a set of core values and principles of business and a collective approach to decision making. The Group enjoys a reputation for nurturing a positive working environment where staff are supported and encouraged to develop and grow their talents and to contribute profitably to the performance of the Group and its turnover of key staff is low. The majority of the senior management team are also shareholders in the Group and the Group launched a staff share option scheme in 2024 to further incentivise its staff. |

# Principal risks and uncertainties continued

| | *Description* | *Mitigation* |
|---|---|---|
| ***Business ventures with third parties***<br><br>*Change to risk →* | Certain of the Group's operations are conducted through business ventures that are co-owned with third parties. Such arrangements carry inherent risks, including differences in strategic objectives, failure by partners or minority shareholders to meet their obligations, disagreements over funding requirements, or financial difficulties affecting a partner's ability to contribute capital. Any such issues could adversely impact the Group's operations, financial position or strategic objectives. | The Group selects joint venture partners carefully to ensure that interests are aligned and where possible retains ultimate control at board and shareholder level. It has close relations with those third-party business partners and maintains regular communications. A number of parties in co-owned businesses are also shareholders in the Group. |
| ***Joy Entertainment Group – Health, safety and security at Live venues***<br><br>*Change to risk →* | Operating live music venues involves inherent health, safety and security risks, including crowd management, accidents, medical incidents, fire safety and wider public safety concerns, particularly at high-attendance or late-night events. Any failure to adequately manage these risks could result in injury, reputational damage, legal liability or regulatory action. | The Group mitigates these risks through a comprehensive health and safety framework across its venues. This includes compliance with all relevant licensing, fire safety and capacity requirements, regular risk assessments and emergency planning, and mandatory training for staff and security personnel. The Group works closely with local authorities and emergency services and operates robust entry and security procedures. Incidents are reviewed following events to support continuous improvement and adherence to industry best practice. |
| ***Competition***<br><br>*Change to risk →* | The markets in which the Group operates are competitive and fast-moving. There can be no assurance that competitors will not develop services or offerings that are similar or superior to those of the Group, particularly where larger industry participants are able to deploy greater financial or operational resources. In addition, the Group's relative size may limit its negotiating leverage in certain commercial arrangements, which could adversely affect its competitive position. | The Group's experienced senior management team and strong industry reputation support its ability to respond quickly to market developments and, in many cases, to negotiate effectively with larger counterparties. |
| ***Currency and foreign exchange***<br><br>*Change to risk →* | The Group operates in multiple currencies, primarily Pound Sterling and US Dollars, while reporting its financial results in Pound Sterling. Fluctuations in exchange rates may impact the Group's reported results and financial position. The Group does not currently undertake foreign currency hedging, and adverse currency movements could have a material effect on the Group's business, results or financial condition. | The Board keeps the Group's foreign currency exposure under review and will consider appropriate hedging arrangements where necessary. |
| ***Touring activity as a source of revenues for group companies***<br><br>*Change to risk →* | A significant proportion of the Group's revenues is generated from touring and live performance activity. Any reduction in touring schedules or lower-than-expected audience attendance could adversely impact the Group's revenues and financial performance. | The Group mitigates this risk through a broad and diversified client roster and a range of revenue streams, reducing reliance on any single artist or touring cycle. |

# Principal risks and uncertainties continued

| | *Description* | *Mitigation* |
|---|---|---|
| ***Sandbag operation of online stores using third party technology***<br><br>*Change to risk →* | Sandbag relies on third-party technology platforms to operate clients' online stores. Disruption or failure of these platforms could interrupt services, adversely affect revenues and impact Sandbag's ability to retain or attract clients. Any such disruption may not be fully covered by the Group's insurance arrangements. | The Group uses established third-party providers with robust technology platforms and is not tied into long-term contracts, allowing flexibility to change providers if required. Management continues to monitor reliance on third-party technology and associated risks. |
| ***Data protection legislation***<br><br>*Change to risk →* | The Group is subject to evolving data protection and privacy laws, including restrictions on data use and cross-border transfers. Failure to comply with applicable regulations could limit the Group's ability to use data, result in regulatory action, fines or reputational damage, and adversely affect the Group's business and operations | The Group's reliance on the processing of personal data is limited, with the primary exposure relating to Sandbag's fulfilment of client orders. Appropriate measures are in place to ensure compliance with applicable data protection legislation. The Group's finance, compliance and legal teams monitor relevant regulatory developments and assess their impact on the Group's products and services, supported by established policies, processes and training to promote regulatory awareness and compliance. Where restrictions affect the use of data for marketing, the Group is able to utilise alternative channels, including digital and social media platforms. The Group also maintains established policies, including an Anti-Bribery and Corruption policy, to support compliance with wider regulatory requirements. |
| ***Data security breaches***<br><br>*Change to risk →* | In its online retail activities, Sandbag processes customer data to fulfil orders, take payments and manage customer engagement. This creates an obligation to ensure that data is appropriately protected when used internally and when shared with third-party suppliers. Any unauthorised access to, loss of or misuse of confidential data—whether as a result of system failures, human error or cyber-attack—could lead to reputational damage, regulatory non-compliance and financial penalties. The frequency and sophistication of cyber-attacks targeting businesses continues to increase, heightening this risk. | The Group has established data protection and cyber security policies, procedures and incident response processes, including mechanisms for identifying, assessing and reporting data incidents. An initial cyber security review was undertaken during the year, and this process will continue, with any identified weaknesses addressed on an ongoing basis. |
| ***Sandbag stock obsolescence***<br><br>*Change to risk →* | Sandbag is exposed to the risk of merchandise stock obsolescence, which may arise from changes in consumer preferences or market demand. Obsolete or slow-moving inventory may require markdowns, write-downs or clearance activity, which could result in financial losses and adversely affect profitability. | To mitigate this risk, Sandbag closely monitors market trends, and consumer behaviour, and anticipates changes in demand and adjusts its inventory accordingly. Sandbag maintains stringent inventory management practices to minimise excess stock and optimise inventory turnover. Sandbag also uses so-called print on demand services where practicable and economic to do so to reduce potential stock obsolescence risk.<br><br>Despite these measures, there remains a possibility that certain products may become obsolete before their anticipated sales cycle, leading to potential financial implications for the company. There can be no assurance that the business will be completely immune to the impact of changing market dynamics on our inventory. |

# Corporate Governance

## Our Board of Directors is collectively responsible for the long-term sustainable success of the Company

| | |
|---|---|
| **Gender composition** | |
| Male | 5 |
| Female | 2 |
| **Length of tenure** | |
| 0–1 year | 1 |
| 1–3 years | 1 |
| 3–5 years | 5 |
| 5+ years | - |

| Group Board meetings and committee meetings attended in 2025 | Group Board | Audit and Risk Committee | Remuneration Committee |
|---|---|---|---|
| **Executive Directors:** | | | |
| Adam Driscoll | 12/12 | - | - |
| Brian Message | 12/12 | - | - |
| Craig Newman | 12/12 | - | - |
| Deborah Lovegrove | 12/12 | - | - |
| Emma Stoker | 11/12 | - | - |
| **Non-Executive Directors:** | | | |
| Andy Glover | 12/12 | 2/2 | 1/1 |
| Cliff Fluet (appointed 17 December 2025) | - | - | - |

## Board of Directors

### *Adam Driscoll, Chief Executive Officer*

Adam is CEO of the Group and has a wealth of experience running and managing music and entertainment related businesses, both public and private. Adam acquired his first business in 1994 through a management buy-out and floated it as A4 Holdings plc on OFEX in 1996. He founded and floated channelfly.com plc on AIM in 1999. Following a management buy-out in 2003 the company returned to AIM in 2005 as MAMA Group with Adam as Co-CEO. MAMA Group grew to become a leading music business before being sold to HMV Group in 2010. Adam has served on the boards of Chrysalis PLC and Pulse Films and more recently has led several other businesses including Vision Nine and Punchdrunk.

### *Brian Message, Executive Director, Co-Founder and Head of ATC Management, Europe*

Brian is an Executive Director and Co-Founder of the Group. He has worked in the music industry for over 25 years having originally trained and qualified as a chartered accountant. Brian worked at EMI, and then Courtyard Music Management LLP which manages the band Radiohead. He set up the Group's artist management business in 2001 with Craig Newman and remains co-manager on several of ATC Management's artists including Nick Cave, Johnny Marr and PJ Harvey. Outside of the Group, he is Chairman of the ACES multi-academy trust.

Brian spearheads the Group's European management division; he is one of the most high-profile managers within the UK and has been instrumental in the foundation of various key industry bodies including the Music Managers Forum and the Featured Artist Coalition.

### *Craig Newman, Executive Director and Co-Founder*

Craig is an Executive Director and Co-Founder of the Group. Craig has over 30 years of experience in the music industry and initially set up A Ticketing Company in 1996, which later became ATC UK. He was co-manager of several ATC Management artists and a partner in Courtyard Music Management LLP alongside Brian Message. Craig established the Group's North American business in 2013 and continues to play an active role in the Group's US operations. Beyond ATC, Craig was a founding partner of Youth Zones, the largest public/private partnership of youth provision for 11–18-year-olds.

# Corporate Governance continued

## *Deborah Lovegrove, Chief Financial Officer*

Deborah joined ATC in October 2024 and brings over 25 years' experience in senior finance roles across the globe. Previous roles include Chief Financial Officer and Finance Director roles for organisations including Made Tech (where she oversaw its listing on AIM in September 2021), Wavemaker (WPP), Carat (Dentsu Aegis) and ITV. Deborah has a strong track record of building and managing finance, IT and HR functions, and problem solving within challenging business environments. Deborah is a chartered accountant and a fellow of the ICAEW (FCA).

## *Emma Stoker, Director of Business Affairs and Company Secretary*

Emma joined the Board in November 2023 having been employed within the Group as Director of Business Affairs since 2016. As well as her role on the Board and as Company Secretary, Emma is responsible for overseeing the legal and business affairs of the Group. After completing a law degree at Cambridge University, Emma qualified as a solicitor in 2004 at a specialist West-End media and entertainment law firm and spent over 12 years as a litigator working for clients principally in the music and media industries with her clients including major record labels, publishers, executives, songwriters, performers and managers. She remains on the Roll and maintains a full legal practising certificate.

## *Andy Glover, Chair, Independent Non-Executive Chair, Chair of Audit and Risk Committee*

***Committees***

Remuneration Committee
Audit and Risk Committee

Andy joined the Board in December 2021 upon the IPO of the Group and became Independent Non-Executive Chair in December 2025. He qualified as a chartered accountant and spent 12 years at PwC in Birmingham before joining Wagon plc as Group Chief Accountant for two years. He was an audit partner with Ernst & Young LLP ('EY') from 1996 to 2018, the last 11 years being in the London office. He handled an extensive portfolio of middle market clients, including some in the music industry, all undergoing significant change.

From 2007 to 2015, Andy chaired EY's mid-market Non-Executive Director program, which involved hosting, presenting and discussing topical issues for NEDs. He also presented on the Financial Times NED program and has extensive experience of working with audit committees and Boards. Andy is a fellow of the ICAEW.

## *Cliff Fluet, Independent Non-Executive Director, Chair of Remuneration Committee*

***Committees***

Remuneration Committee
Audit and Risk Committee

Cliff Fluet is a Partner at Lewis Silkin, a leading law firm for creative, innovative, and brand-focused businesses. With over 25 years' experience, he advises on digital media, brand entertainment, technology, and innovation, and leads the firm's Media & Entertainment practice while serving on the Partnership Board responsible for innovation.

A recognised expert ranked in the Legal 500 Hall of Fame, Fluet has global subject-matter expertise in new forms of rights and catalogue acquisitions and exploitation.

Beyond legal practice, Cliff Fluet is the founder and Managing Director of Eleven Advisory, a strategic and commercial consultancy to media companies across music, sport, film, and entertainment. He helps clients navigate emerging technologies - including artificial intelligence, rights recognition, and immersive entertainment - leveraging an extensive industry network.

Committed to the creative community, he serves as Vice Chair of Help Musicians and Chair of Music Minds Matter and also chairs Music Technology UK. He now brings this experience to the board as a Non-Executive Director.

# Corporate governance and responsibilities

The Directors recognise the importance of sound corporate governance principles being embedded into the operations of the Group. The Group has applied the Quoted Companies Alliance Corporate Governance Code since its listing in December 2021, and following admission to AIM in December 2025, has adopted the updated 2023 code (the "QCA Code") as its chosen corporate governance framework.

The Directors of ATC recognise the value of good corporate governance in every part of the business. The Board considers that compliance with the QCA Code will enable it to serve the interests of all key stakeholders, including shareholders, and will promote the maintenance and creation of long-term value in the Company. The QCA Code consists of ten general principles. These are broadly split into the categories of: delivering growth; maintaining a dynamic management framework; and building trust. This report sets out our approach to governance, including information on relevant policies and practices and the operation of the Board and its Committees. Additional detail on how the Company has applied the QCA Code is also provided in the Corporate Governance section of our website. The board has assessed the Group's compliance with the code, and has determined that throughout the year, the Group has complied with the Code's requirements.

## Compliance with the QCA Code

| Description | Mitigation |
|---|---|
| *Principle 1: Establish a purpose, strategy and business model which promote long-term value for shareholders* | ATC's purpose is to create long-term, sustainable value for artists and other creative partners by providing an integrated, entrepreneurial platform across management, live, recording, publishing and related services. The Group has developed a broad service base which enables artists to take an integrated approach to rights creation and financial remuneration by combining many of the "silos" within the Group and offering artists the ability to engage across some or all of the services offered.<br>The Directors believe that this integrated model is attractive to artists and enables the Group to act as a long-term "venturing partner" with creative talent, generating greater commercial opportunities and potentially new business developments across a range of consumer sectors.<br><br>The Group's overarching strategic objective is to deliver long-term value to shareholders by:<br><br>• delivering organic growth;<br>• delivering growth through acquisition;<br>• delivering operating profitability; and<br>• delivering operational efficiencies.<br><br><u>Governance and mitigation</u><br><br>The Board reviews and, where appropriate, refines the Group's purpose and strategy as part of its annual strategy day and regular Board meetings. Clear long-term objectives, supported by financial and non-financial KPIs, allow the Board to monitor execution and make adjustments where needed. The Board considers the risks and opportunities associated with strategic decisions, including those linked to technology, market developments and sustainability, and sets the Group's risk appetite in that context.<br><br>Further details of the Group's growth strategy can be found on page 13. Analysis of risks and uncertainties can be found on page 30. |

| Description | Mitigation |
|---|---|
| *Principle 2: Promote a corporate culture that is based on ethical values and behaviours* | The Board aims to foster a culture that is inclusive, transparent and collaborative, underpinned by high standards of integrity. The Board believes this culture is consistent with the Company's objectives, strategy and business model and is a key enabler of long-term success. The Directors are satisfied that the Group has a "speak-up" culture and regularly observe this in practice.<br><br>The Group has in place a Code of Conduct, Share Dealing Code, Anti-Bribery Policy, Publicity Guidelines, Related Party Transaction Guidelines and a Disclosure Policy, all of which emphasise the Group's commitment to conducting its business with honesty and integrity and to maintaining high standards of behaviour. These policies are shared with employees and are available on internal systems.<br><br>Governance and mitigation<br><br>The Board, led by the Chair and CEO, sets the "tone from the top" through its own behaviour and decision-making. Culture is monitored through:<br><br>• regular open-forum company meetings;<br>• one-to-one meetings and appraisals;<br>• anonymous employee surveys; and<br>• direct engagement between Directors and employees.<br><br>Where behaviours fall short of expectations, matters are addressed through the Group's policies and procedures, including HR processes and whistleblowing channels where appropriate. The Board reviews key culture-related indicators (such as staff turnover, engagement insights and conduct issues) as part of its oversight of people-related risks. |
| *Principle 3: Seek to understand and meet shareholder needs and expectations* | The Board maintains high levels of communication and constructive dialogue with shareholders on a regular basis. The Company understands the need for effective communication with investors and financial media and provides information through its annual and interim reports, Regulatory News Service announcements and its corporate website.<br><br>The CEO is the Company's principal spokesperson with investors, fund managers, the press and other interested parties and acts as the general liaison for shareholders. All Directors attend the Annual General Meeting ("AGM"), where private investors are given the opportunity to speak to and question the Board. AGMs, results roadshows, investor presentations and any Capital Markets Days provide important opportunities for two-way engagement.<br><br>Governance and mitigation<br><br>The Company is contactable by email, and relevant shareholder queries are passed to the Board for discussion. Feedback from institutional and retail shareholders, as well as from analysts, is considered by the Board when assessing the effectiveness of its strategy and governance arrangements. Where significant themes or concerns are identified, the Board considers what actions or further disclosures are appropriate. |

| Description | Mitigation |
|---|---|
| *Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success* | The Directors believe that the main stakeholders of the Company are its clients (artists and partners), its employees, the communities it works with and its shareholders. The Group is mindful of its broader social responsibilities and the need to build and maintain strong relationships across these stakeholder groups.<br><br>ATC is committed to providing its clients with the highest levels of service and to seeking regular feedback to ensure concerns are understood and addressed. The Board believes that two-way communication with staff is a key requirement for high levels of engagement and innovation and consciously fosters a work environment where employees are – and consider themselves to be – key stakeholders in the business.<br><br>The Company continues to support various collaboration and mentorship programmes with grass-roots youth education institutions and will endeavour to broaden its network to ensure that under-represented groups are able to access opportunities with the Group.<br><br>The Board recognises that environmental and social matters – including those relating to or stemming from climate change – can affect the Group's ability to deliver shareholder value over the medium to long-term and is integrating these considerations more explicitly into its strategic and risk discussions.<br><br><u>Governance and mitigation</u><br><br>The Board periodically discusses the Group's key stakeholder groups, how their views are captured and how those views inform Board decision-making. In particular:<br><br>• employees can raise concerns in confidence and anonymously through informal channels and formal processes;<br>• the Board reviews information on employee engagement and retention;<br>• the ESG and social impact aspects of business decisions are increasingly considered alongside financial returns, including where relevant the environmental footprint of touring and live events.<br><br>The Board recognises that environmental and social matters – including those relating to or stemming from climate change – can affect the Group's ability to deliver shareholder value over the medium to long-term and is integrating these considerations more explicitly into its strategic and risk discussions.<br><br>Further details of the Group's risk strategy can be found from page 30 of this report. |

| Description | Mitigation |
|---|---|
| *Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation* | The Board takes responsibility for the establishment and oversight of the Group's risk management framework and has established an Audit and Risk Committee to ensure that the Group's risk management systems, policies and procedures are appropriate. The Committee helps to ensure that risks are identified and analysed, that appropriate risk limits and controls are set and that ongoing risks are monitored.<br><br>The Board's oversight covers all financial and operational controls. Its primary method of monitoring is through reviewing reports from management to consider whether significant risks are identified, evaluated and controlled and whether any significant weaknesses are resolved.<br><br>An internal audit function is not currently considered necessary or practical due to the size of the Group and because day-to-day control is exercised by the Executive Directors. The Board keeps this position under review.<br><br><u>Governance and mitigation</u><br><br>The Board sets the Group's risk appetite in the context of its strategy, considering both threats and opportunities. It receives regular updates on principal and emerging risks, including relevant climate-related and other sustainability-linked risks, and reviews the mitigating actions in place. The Audit and Risk Committee monitors the independence and effectiveness of the external auditors and considers whether additional assurance (for example, on specific risk or control areas) is required. Further details can be found in the Audit and Risk Committee report within this annual report.<br><br>Attendance information on Group board meetings can be found in the Board of Directors section on page 33.<br><br>Attendance information on Committee meetings can be found on page 33. |

| Description | Mitigation |
|---|---|
| *Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the chair* | The Board comprises Brian Message and Craig Newman (Executive Directors), Adam Driscoll (Chief Executive Officer), Deborah Lovegrove (Chief Financial Officer), Emma Stoker (Director of Legal and Business Affairs), Andy Glover (Chair and Independent Non-Executive Director) and Cliff Fluet (Independent Non-Executive Director). The biographies of the Directors can be found on pages 33 to 34 of this report and in the board of Directors section on the website.<br><br>The Board is responsible for the stewardship of the Group and for ensuring that corporate governance arrangements are appropriate for the nature and complexity of the Group's operations. It is responsible for taking all major strategic decisions and addressing any significant operational matters and, together with the Audit and Risk Committee, reviews the Group's risk profile and internal control environment.<br><br>The Board currently consists of five Executive Directors and two Independent Non-Executive Directors.<br><br>The Board recognises that, under the QCA Code, smaller quoted companies are encouraged to have at least half of the Board (including the chair, if independent on appointment) composed of Independent Non-Executive Directors, subject to a minimum of two independent NEDs.<br><br>At present the Group has two independent NEDs and therefore does not fully meet this expectation. The Board considers this appropriate at this stage given the Group's size, ownership structure, sector expertise requirements and growth plans but is committed to strengthening independent representation over time.<br><br><u>Governance and mitigation</u><br><br>• Non-Executive Directors currently spend a minimum of two days a month on Group matters.<br>• The Non-Executive Directors are considered by the Board to be independent of management and free from any business or other relationship that could materially interfere with the exercise of independent judgement.<br>• The Board meets monthly (and more frequently if necessary) and holds an annual strategy meeting which also includes senior managers.<br>• The Audit and Risk Committee meet at least twice a year and the Remuneration Committee at least once a year. |
| *Principle 7: Maintain appropriate governance structures and ensure that, individually and collectively, the Directors have the necessary up-to-date experience, skills and capabilities* | The Executive Directors, Brian Message and Craig Newman, have each been part of the Group for over 20 years and have extensive music industry experience as managers of globally renowned artists and as developers of the wider array of the Group's businesses. The CEO, Adam Driscoll, has extensive experience of working in and leading businesses in the music industry and quoted companies. The CFO, Deborah Lovegrove has extensive experience in finance leadership roles for public and private companies, including as the CFO of AIM-quoted, Made Tech Group. Emma Stoker has extensive legal experience gained both in private practice and within industry.<br><br>The Board is supplemented by two independent Non-Executive Directors - Andy Glover, who was an audit partner with Ernst & Young LLP for nearly 22 years with an extensive portfolio of mid-market clients, including music industry companies and quoted companies and Cliff Fluet who is a Partner at Lewis Silkin, advising on digital media, brand entertainment, technology, and innovation, and leads the firm's Media & Entertainment practice and serves on the Partnership Board responsible for innovation. Cliff is also Vice Chair of Help Musicians, Chair of Music Minds Matter and Music Technology UK.<br><br>Board and committee responsibilities, matters reserved for the Board and the terms of reference of the Audit and Risk Committee and Remuneration Committee are documented and available on the Company's website. |

| Description | Mitigation |
|---|---|
| | Governance and mitigation<br><br>The Board considers its current overall size and composition to provide a suitable blend of sector, financial and public markets experience and personal skills and capabilities. The composition of the Board is reviewed annually by the Board itself until it is considered appropriate to implement a dedicated Nomination Committee. One-third of the Directors retire by rotation at each AGM, in accordance with the Company's Articles of Association, thereby allowing shareholders to vote on their re-election. The Code's expectation is that all Directors should stand for re-election annually. The Board has considered this carefully but believes that, at the present time, the policy of retiring one third of the Directors at each AGM, with the Directors who have been in office longest since re-election standing for re-election, as set out in the Company's Articles of Association, remains appropriate for the Company given its stage of development, the importance of experience, continuity in oversight and decision-making. The current framework supports continuity and stability at Board level, while still providing shareholders with regular opportunities to review Board composition over time. The Board believes this approach avoids unnecessary administrative burden and potential short-termism associated with annual re-election cycles and remains aligned with the long-term interests of the Company and its shareholders.<br><br>The Board expects its members to maintain and develop their skills through:<br><br>• participation in external training and professional development;<br>• attendance at relevant industry and governance events; and<br>• updates from advisers on legal, regulatory, accounting and governance developments (including updates to the QCA Code and ESG expectations).<br><br>Board and committee responsibilities, matters reserved for the Board and the terms of reference of the Audit and Risk Committee and Remuneration Committee are documented and available on the Company's website. |
| *Principle 8: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement* | The Board is responsible for its own evaluation. The Non-Executive Directors consider and evaluate the performance of the Executive Directors. The results are used by the Board to inform its approach to succession planning and continuous improvement.<br><br>Governance and mitigation<br><br>The Board's evaluation process considers:<br><br>• the effectiveness of the Board as a whole and its committees;<br>• the performance of individual Directors;<br>• the quality and timeliness of information provided to the Board; and how well the Board oversees strategy, risk, culture and stakeholder relationships.<br><br>The Board periodically considers whether to commission an externally facilitated review, particularly as the Group increases in scale and complexity, and will report on the timing of such reviews in future Annual Reports. |

| Description | Mitigation |
|---|---|
| *Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture* | The Board is responsible for establishing an effective remuneration policy which is aligned with the Group's purpose, strategy and culture and is appropriate for its stage of development. The Remuneration Committee oversees the structure of executive remuneration and related policies across the Group.<br><br>Governance and mitigation<br><br>Remuneration arrangements are designed to:<br><br>• attract and retain high-quality executives;<br>• motivate management to deliver sustainable, long-term growth in shareholder value; and<br>• support and reinforce the Group's desired culture and risk appetite.<br><br>Pay structures for senior management are kept as simple and transparent as possible, with an appropriate balance between fixed and variable elements and an emphasis on long-term equity alignment where appropriate. The Remuneration Committee consults with other Board committees as necessary when setting performance measures and targets and considers feedback from shareholders on remuneration matters. The annual remuneration report (included within this annual report) is presented to shareholders for an advisory vote at the AGM. |
| *Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders* | ATC is committed to open communication with all its shareholders. Communications with shareholders are predominantly through the Annual Report and AGM, supported by full-year and half-year announcements, periodic market announcements, one-to-one meetings and investor roadshows with institutional investors.<br><br>The Group's website is regularly updated, and users can register to be alerted via email when announcements or details of presentations and events are posted. Historical annual reports, results presentations and notices of general meetings are made available on the website to support transparency and accessibility.<br><br>Governance and mitigation<br><br>The Company discloses the outcomes of all shareholder votes in a clear and transparent manner. Where a significant proportion of votes is cast against a resolution, the Board will seek to understand the reasons for that vote and, where appropriate, explain any actions it intends to take in response.<br><br>The Board keeps its governance arrangements under regular review to ensure that they continue to support the Group's strategy, align with evolving regulatory and best-practice expectations and promote the long-term success of the Company for the benefit of its shareholders and wider stakeholders. |

# Corporate governance and compliance report

We are committed to effective corporate governance as the basis for delivering long-term value growth and for meeting our shareholder expectations for proper leadership and oversight.

The Board comprises five Executive Directors and two Independent Non-Executive Directors. The Board is responsible for the Group's overall strategy and for the overall management of the Group. The Strategic Report outlines the key approach to driving the performance of the Group and promoting the long-term sustainable growth of the company for all shareholders.

The Board has established Audit and Risk and Remuneration Committees, each with formally delegated duties and responsibilities with written terms of references. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

ATC remains fully aware of its responsibilities to receive, process, store, share and delete personal data assets in accordance with the UK Data Protection Act 2018, for which ATC is registered with the Information Commissioner's Office ("ICO"). Further details of our approach to data protection can be found within our Privacy Policy.

## Audit and Risk Committee report

The Audit and Risk Committee comprise Andy Glover, as its Chair, and Cliff Fluet.

**Role and responsibilities**

The Committee, operating under its Terms of Reference, assists the Board in discharging its responsibilities by, amongst other things, reviewing and monitoring:

- the consistency of, and any changes to, accounting policies both on a year-on-year basis and across the Group
- the methods used to account for significant or unusual transactions
- whether the Group has followed appropriate accounting standards and made appropriate estimates and judgments, considering the views of the auditor
- the effectiveness of the auditor and considering and making recommendations on the reappointment of the auditor
- the adequacy and effectiveness of the Group's internal financial controls and risk management systems.
- the clarity of disclosures in the Company's financial reports and the context in which statements are made
- all material information presented within the financial statements
- adherence to the AIM Rules compliance policy.

The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Committee meets at least twice a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

The Committee is also responsible for advising the Board on the Group's risk strategy, risk policies and current risk exposures, overseeing the implementation and maintenance of the overall risk management framework and systems, and reviewing the Group's risk assessment processes and capability to identify and manage new risks. As such, the Committee considers the Company's attitude towards areas such as ethics, anti-bribery, corruption, modern slavery and market abuse prevention and ensures that the Group has appropriate policies and processes in place.

**Financial reporting**

The Committee concluded that the annual report and accounts, taken as a whole, were fair, balanced, and understandable and provided the information necessary for shareholders to assess the Group's financial position, performance, business model and strategy. The Committee reviewed the 2025 full-year and half-year results announcements and considered matters raised by the auditor requiring its attention.

# Corporate governance and compliance report continued

**Risk management and internal controls**

The Committee has kept under review the adequacy and effectiveness of the Company's internal financial controls and risk management systems including reviewing the risk register. The Committee considers annually whether there is a need for an internal audit function. At present, the function is not yet considered necessary as day-to-day control is sufficiently exercised by the management team, including monthly review checks undertaken by the central finance team.

Further details on the Group's principal risks and the way they are mitigated can be found in the Principal Risks and Uncertainties section.

The Committee also has a responsibility to review the adequacy of the Company's arrangements for its employees and contractors to confidentially raise any concerns about possible wrongdoings regarding financial reporting or other matters. No such matters were raised during the period.

**Activity during the period**

The Committee met with the auditor twice during the external audit cycle, once at the planning stage, where the nature and scope of the audit was considered, and once post-audit at the reporting stage. The Committee discussed the findings of the audit with the auditor including issues which arose during the audit, accounting and audit judgements, levels of errors identified and the effectiveness of the audit.

The transition to AIM during the period, culminating in the listing in December 2025, included extensive due diligence by external parties covering financial, legal, governance and risk policies and procedures. Such external due diligence is a useful validation of the Group's procedures. No areas of major concern were identified, and we have either completed or are in the process of addressing a small number of post IPO obligations.

Specific actions taken by the committee since the last annual report include:

- Monitoring the progress of management actions recommended by the auditors from the FY24 audit
- Reviewing the effectiveness of the Group's internal controls. This included reviewing the updated Group Financial Reporting Procedures manual and the addition of appropriate sections for new acquisitions Easy Life Group, Concorde 2, Volks and the business and assets of Control Industry Inc
- Reviewing the interim accounts of the Group for the six months ended 30 June 2025
- Reviewing the business combination accounting for Driift, Easy Life Group, Concorde 2, Volks and Control Industry Inc.
- Meeting with the auditors to discuss the planned audit scope, approach and fees for the year ended 31 December 2025.
- Reviewing the findings of the auditors arising from the audit of the Group for the year ended 31 December 2025 and the audit opinion
- Reviewing the disclosures in the annual report for the year ended 31 December 2025 to ensure that the performance and risks of the Group are adequately described and reported
- Assessing the performance and continuing independence of Adler Shine LLP as auditors of the Group
- Reviewing the Group's risk management framework, updated during 2025, in particular the Group risk register

**External audit and independence**

Adler Shine LLP was appointed as auditor in 2021 leading up to the IPO of the Group in December 2021. In accordance with audit partner rotation requirements, Christopher Taylor will complete his five-year tenure as audit engagement partner for these FY25 financial statements.

We seek feedback from our businesses on the audit process as part of the commitment to continual improvement in the efficiency and effectiveness of the group audit. No non-audit services were provided by Adler Shine LLP during the period, and we are satisfied that they provide a robust and challenging audit and are free from any independence conflicts.

# Corporate governance and compliance report continued

## Remuneration Committee report

The Remuneration Committee comprises Cliff Fluet, as its Chair, and Andy Glover. Prior to the appointment of Cliff Fluet to the Board in December 2025, Andy Glover was the acting Chair of the Committee.

**Role and responsibilities**

The Committee meets as required during the year and invites recommendations as to remuneration levels, incentive arrangements for senior executives and proposals regarding share option awards from the CEO.

The Committee reviews the performance of the Executive Directors and makes recommendations to the Board on matters relating to their remuneration and terms of service. The Committee also makes recommendations to the Board on proposals for the granting of share options and other equity incentives. The Committee met once during 2025.

Bonus plans and share option awards are regularly reviewed by the Committee to ensure that they are appropriately incentivising key management.

The Committee's principal responsibilities include:

- Determining and agreeing with the Board the framework for the remuneration of executive management
- Reviewing and having regard to pay and employment conditions across the Group when setting remuneration policy for executive management and especially when determining salary increases
- Approving the design of and determining targets for any performance-related pay schemes
- Overseeing the design and application of share options and any other such reward plan in conjunction with the Board
- Determining the policy for and scope of pension arrangements for Executive Management.

The Non-Executive Directors, whose remuneration is determined by the Board as a whole, receive fees in connection with their services provided to the Group, to the Board and to Board Committees.

The components of remuneration for the Executive Directors are as follows:

Basic salary

The base salary, benefits in kind and pension contributions are determined by the Committee with reference to the experience and responsibilities of each individual and having regard to prevailing market conditions.

Annual bonus

Annual bonuses for the CEO, CFO and Executive Directors are at the discretion of the Committee and are based on individual and Company performance targets.

Share options

The Group's policy is that in addition to their salaries and bonuses, Executive Directors and senior management should be awarded share options in order that their interests may be more closely aligned with those of shareholders. The company operates a Company Share Ownership Plan (CSOP) and a non-approved share incentive plan. During the year awards were recommended by the Committee as set out in the table below.

**Activity during the period**

The executive remuneration and benefits packages for FY25 were initially set at a meeting of the Committee in January 2025. As a result of the transition to AIM and the associated fundraising plus the acquisitions completed during the year, these were revisited during discussions of the Committee in November and December 2025 and are set out in the tables below.

The Committee discussions in December 2025 set out the remuneration packages for FY26, and these will be disclosed in the next annual report.

# Corporate governance and compliance report continued

**Directors' remuneration, interests and transactions**

Summary of Directors' total remuneration (audited) for the year were as follows:

| Executive Directors | Year | Salary and benefits £ | Pension contributions £ | Annual bonus £ | Share-based payment charge £ | Total £ |
|---|---|---|---|---|---|---|
| Adam Driscoll | 2025 | 250,000 | 10,000 | 196,226* | - | 456,226 |
| | 2024 | 200,000 | 8,000 | 75,000 | - | 283,000 |
| Brian Message | 2025 | 60,000 | - | - | - | 60,000 |
| | 2024 | 60,000 | - | - | - | 60,000 |
| Craig Newman | 2025 | 60,794 | - | - | - | 60,794 |
| | 2024 | 60,887 | 400 | - | - | 61,287 |
| Deborah Lovegrove | 2025 | 190,000 | 7,600 | 25,800 | 1,427 | 224,827 |
| | 2024 | 41,897 | - | - | - | 41,897 |
| Emma Stoker | 2025 | 125,000 | 5,000 | - | - | 130,000 |
| | 2024 | 100,000 | 4,000 | - | - | 104,000 |

| Non-Executive Directors | Year | Fees £ | Salary and benefits £ | Pension contributions £ | Annual bonus £ | Total £ |
|---|---|---|---|---|---|---|
| Andy Glover | 2025 | - | 45,000 | 1,800 | - | 46,800 |
| | 2024 | 23,333 | 16,667 | - | - | 40,000 |

* £20,000 of the Directors' bonus was settled via a company controlled by the Director.

Remuneration disclosed above include the following amounts paid to the highest paid Director:

| | 2025 £ | 2024 £ |
|---|---|---|
| Remuneration for qualifying services | 456,226 | 283,000 |

During the year ended 31 December 2025, a profit share of £483,788 (2024: £663,499) was paid to Courtyard Music Management LLP and a further profit share of £960,000 has been accrued. Courtyard Music Management LLP is an entity in which Brian Message and Craig Newman are 25% members. The profit share relates to an agreement whereby Courtyard is entitled to receive 50% of any commission earned by ATC Management Limited from the artists Nick Cave, Thom Yorke and The Smile, and 80% of any commission earned in relation to Radiohead.

**Directors' Interests in shares**

As at 31 December 2025 the Directors of the Company held the following number of shares:

| Shareholder | Number of shares as at 31 December 2025 | % of the Issued Share Capital | Number of shares as at 31 December 2024 | % of the Issued Share Capital |
|---|---|---|---|---|
| Brian Message | 1,072,359 | 4.58% | 1,072,359 | 6.48% |
| Craig Newman | 1,864,683 | 7.96% | 1,396,683 | 8.44% |
| Adam Driscoll | 691,400 | 2.95% | 691,400 | 4.18% |
| Emma Stoker | 200,000 | 0.85% | 200,000 | 1.21% |

As at 31 December 2025, no Directors held interests in share options other than Deborah Lovegrove, who was granted 100,000 options under the CSOP scheme see Note 27. These options have an exercise price of 105 pence, were granted on 24 October 2024, and are exercisable from 14 October 2025.

**Transactions with Directors**

Details of transactions with Directors are set out in note 30 of the financial statements.

# Directors' Report

The Directors present their Annual Report, including the audited financial statements, for the year ended 31 December 2025. The Corporate Governance Report set out on pages 33 to 45 forms part of this report.

**Principal activities**

The Group's principal activities during the year are that of an independent music business encompassing artist representation, end-to-end direct to fan services, merchandise, live events and rights.

These financial statements present the results of the Group for the year ended 31 December 2025.

**Directors**

The Directors who served at any time during the year and since the year end were as follows:

- Adam Driscoll
- Andy Glover
- Brian Message
- Cliff Fluet (appointed 17 December 2025)
- Craig Newman
- Deborah Lovegrove
- Emma Stoker

**Directors' and Officers' liability insurance**

The Group has purchased and maintains appropriate insurance cover in respect of Directors' and Officers' liabilities. The Group has also entered qualifying third-party indemnity arrangements for the benefit of all its Directors, in a form and scope which comply with the requirements of the Companies Act 2006.

**Results and dividends**

The results for the year are set out on page 55. The Company will not be paying a dividend this year.

**Going concern**

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

Management has performed a going concern assessment for the period to 30 June 2027, which indicates that the Group will have sufficient funds to settle its liabilities as they fall due. Accordingly, the Group has prepared the financial statements on a going concern basis.

**Annual General Meeting**

This year's Annual General Meeting will be held in June 2026.

A separate circular will be sent to shareholders and includes the following:

- notice of meeting;
- Form of Proxy; and
- details and information on the resolutions to be proposed.

**Auditors**

Adler Shine LLP have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting in accordance with Section 489 of the Companies Act 2006.

**Strategic Report**

The Strategic Report set out on pages 7 to 45 provides a fair review of the Group's business for the year ended 31 December 2025. It covers the Group's business model, strategy, markets, key performance indicators, financial position, employee and stakeholder matters including the Section 172 statement, principal risks and uncertainties, and the factors likely to affect future development and performance.

# Directors' Report continued

**Key Stakeholders**

For our key stakeholders and employees please refer to our Engaging with our Stakeholders Section 172 statement on pages 25 to 29.

**Post balance sheet events**

***Share option grants***

Subsequent to the reporting date, the Company granted 1,150,000 share options over ordinary shares to certain Directors, persons discharging managerial responsibilities and senior management.

The options were granted with an exercise price of 128.5 pence per share, being the closing mid-market price on 6 January 2026, and have a contractual life of ten years. The options vest over periods ranging from one to three years, depending on the terms of the relevant plan.

The options were granted under the Company's Company Share Option Plan and Unapproved Share Option Plan. In accordance with IFRS 2 - Share-based Payments, the fair value of the options will be recognised as an expense over the relevant vesting periods in future accounting periods. As the grants were made after the reporting date, no charge has been recognised in the financial statements for the year ended 31 December 2025.

Following these grants, the Company has 2,474,000 share options outstanding, representing approximately 10.56% of the Company's issued share capital.

***UK office lease renewal – related party transaction***

After the reporting date, the Company entered into an agreement to renew the lease of its UK headquarters at The Hat Factory, 166–168 Camden Street, London NW1 9PT for a further ten-year term commencing 7 January 2026, at an annual rent of £180,000, plus buildings insurance.

The lease will give rise to a right-of-use asset and corresponding lease liability to be recognised in accordance with IFRS 16 - Leases in the financial period commencing after the reporting date.

The property is owned by Pagham Investments Limited, a company beneficially owned by the spouses of Brian Message and Craig Newman and, accordingly, the transaction constitutes a related party transaction under IAS 24 - Related Party Disclosures.

***Acquisition of Push Group***

On 10 March 2026, the Group acquired the entire share capital of Push Group, a UK-based technology services business providing digital marketing, data analytics, fan engagement and ecommerce solutions to the music industry. Push Group consists of Push Media Ventures Limited, Push Entertainment Limited and Cirkay Limited. The acquisitions provide complementary technology and services capabilities within the ATC platform, consistent with the stated strategy of building a data-led, fully integrated artists services business. The total consideration for the Acquisition is approximately £1,050,000, of which approximately £315,000 will be satisfied in cash from the Group's existing cash resources and approximately £735,000 will be satisfied by way of the issue of the 506,897 Consideration Shares at an agreed price of 145 pence per new Ordinary Share.

**Significant shareholdings**

As at 1 June 2026, the Company has been advised, in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following notifiable interests in 3% or more of its voting rights.

| Shareholder | Number of shares | % of shareholding |
|---|---|---|
| Schroder Investment Management | 3,060,000 | 12.85% |
| Craig Newman | 1,864,683 | 7.83% |
| Nicholas Lawson | 1,690,705 | 7.10% |
| Stuart Roden | 1,397,808 | 5.87% |
| Brian Message | 1,090,624 | 4.58% |
| Jim Mellon | 909,690 | 3.82% |
| UBS Wealth Management | 880,647 | 3.70% |
| Octopus Investments Limited | 814,396 | 3.42% |

# Directors' Report continued

**Significant shareholdings** continued

Save as disclosed above, the Company is not aware of any person who, as at the date of this Document, directly or indirectly, has a holding of Ordinary Shares which is notifiable under English law. Directors' interests in the Company are disclosed in the Corporate Governance Report. None of the Shareholders referred to in this paragraph has different voting rights from any other Shareholder in respect of any Ordinary Shares held by them.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with IFRS in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure to auditors**

The Directors who held office at the date of approval of this Directors' report confirm the following:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that ought to have been taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Website publication**

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Directors' report was approved on behalf of the Board on 2 June 2026 and signed on its behalf by:



**Adam Driscoll**
**Chief Executive Officer**

# Independent Auditor's Report to the Members of ATC Music Group plc

**Opinion on the financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of ATC Music Group plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise the consolidated statement of comprehensive income, the consolidated statements of financial position, the company statement of financial position, the consolidated statements of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, and notes to the financial statements, including a summary of material and significant accounting policy information.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

**Basis for opinion**

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

*Independence*

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- A critical evaluation of the Directors' assessment of the entity's ability to continue as a going concern, covering the period of at least 12 months from the date of approval of the financial statements by;

    - Evaluating the process the Directors followed to make their assessment, including confirming the assessment and underlying projections were prepared by appropriate individuals with sufficient knowledge of the detailed figures as well as an understanding of the entities markets, strategies and risks.
    - Understanding, challenging and corroborating the key assumptions included in their cash flow forecasts against prior year, our knowledge of the business and industry, and other areas of the audit.
    - Searching through enquiry with the Directors, review of board minutes and review of external resources for any key future events that may have been omitted from cash flow forecasts and assessing the impact these could have on future cash flows and cash reserves.
    - Assessing stress test scenarios and challenging whether other reasonably possible scenarios could occur and including these where appropriate.
    - Considering the adequacy of the disclosures relating to going concern included within the annual report against the requirements of the accounting standards and consistency of the disclosures against the forecasts and going concern assessment.

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

# Independent Auditor's Report to the Members of ATC Music Group plc continued

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. The Directors' assessment of going concern involves a number of highly subjective judgements, therefore, this was accordingly identified as a Key Audit Matter.

**Overview of our audit approach**

**Materiality**

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £506,000, based on 0.75% of the Group's turnover per year end management accounts (2024: £381,000 based on 0.75% of the Group's turnover).

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Our level of performance materiality was £379,000.

Where considered appropriate, performance materiality may be reduced to a lower level, such as, for related party transactions and Directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £50,600. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

We set performance materiality for each component of the Group based on maximum aggregate component materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component performance materiality ranged from £60,000 to £312,750 (2024: £33,000 to £206,000).

**An overview of the scope of our audit**

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group's system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

*Components in scope*

From the above risk assessment and planning procedures, we determined which of the Group's components were likely to include risks of material misstatement relevant to the Group's financial statements. We then determined the type of procedures to be performed at these components.

The total number of components within the scope of our work was as follows:

| | Number of components | |
|---|---|---|
| | **FY 2025** | **FY 2024** |
| Audit procedures on entire financial information of the Component [Scope 1] | 7 | 7 |
| Audit procedures on one or more account balances, classes of transactions or disclosures [Scope 2] | 5 | 2 |
| Specific audit procedures [Scope 3] | 7 | 2 |
| | **19** | **11** |

# Independent Auditor's Report to the Members of ATC Music Group plc continued

In determining components, we have considered how components are organised within the Group, and the commonality of control environments, legal and regulatory framework, and level of aggregation associated with individual entities. Lack of commonality of controls across the Group, differences in jurisdictional risk, and the legal and regulatory frameworks under which the entities operate, prevent the aggregation of components.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included:

- procedures on the entire financial information of the component;
- procedures on one or more classes of transactions, account balances or disclosures; and
- specific audit procedures.

*Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Aside from the going concern key audit matter identified above, we identified the following areas as the key audit matters relevant to our audit of the financial statements.

| **Key audit matter** | | **How the scope of our audit addressed the key audit matter** |
|---|---|---|
| ***Revenue recognition*** | Revenue is recognised in accordance with the accounting policy set out in the financial statements.<br>We identified a significant risk around the inappropriate recognition of revenues in the correct period as there may be an incentive to accelerate revenue to further improve the Group's performance. We believe that revenue could be overstated either by posting unusual manual journals in revenue or by recording revenue before fulfilling performance obligations as defined by IFRS 15 by the year end. | Our work focused on assessing whether the accounting policies for revenue were in accordance with IFRS 15.<br>We noted that management services provided by the Group to artists is based on a fixed percentage of artists' income. This commission is sometimes agreed verbally and is accrued based on management's estimations. We obtained from management details regarding the verbal agreements with artists and where necessary challenged the assumptions where estimates had been made for income accrued at the year end. We also reviewed estimates made in the previous financial year and confirmed that those estimates were not materially different from actual amounts received.<br>For merchandise, we checked the satisfaction of the performance obligation being the delivery of the product to the customer or according to the terms of the sale agreed with the customer.<br>We performed detailed cut-off testing of revenue transactions during the period either side of the balance sheet date with reference to the relevant terms of business, delivery or the date of the provision of the service.<br>We performed journal testing to check if postings made had valid business reasons and were in the correct accounting period.<br>Based on the audit procedures, nothing has come to our attention that causes us to believe that any material misstatement is present in respect of the recognition of revenue in the Group financial statements. |

# Independent Auditor's Report to the Members of ATC Music Group plc continued

| Key audit matter | | How the scope of our audit addressed the key audit matter |
|---|---|---|
| ***Accounting for business combinations*** | As disclosed in Note 17, the group acquired controlling interests in Driift, Concorde 2, Volks and Easy Life Entertainment. The acquisition of these businesses has been accounted for as business combinations. Accounting for these acquisitions requires significant management judgement, especially in determining the fair value of underlying assets and liabilities as well as intangible assets. Matters subject to judgment include the recognition of intangible assets. Further judgement is required in determining the appropriate period over which to amortise these intangible assets.<br>We also consider the risk of incorrect disclosure in the financial statements in respect of these business combinations. | Our audit procedures included challenging the Directors' assessment of the fair value of the assets acquired and liabilities assumed.<br>We validated the acquisition accounting including the identification of intangible assets while we have tested the valuation of the consideration paid by agreement to supporting documents.<br>We have considered the period over which the intangibles are to be amortised and benchmarked these against similar assets.<br>In addition, we considered the adequacy of the Group's disclosures in respect of the business combinations by checking its appropriateness based on our workings and its compliance with the requirements of the standards.<br>Based on the procedures we performed, no issues arose from our work that suggested the business combinations have not been correctly accounted for. |
| ***Impairment of goodwill and intangible assets*** | The Directors perform annual impairment reviews of goodwill and intangible assets for all cash generating units (CGUs).<br>The estimated recoverable amount of these balances is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows, which form the basis of the Group's value in use calculation and assessment of the carrying value of goodwill and intangible asset values.<br>We have determined as part of our risk assessment that the value in use calculation used in the assessment of carrying value of goodwill has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole.<br>Key assumptions include revenue, gross margin, and cash flow forecast assumptions.<br>The impairment test is also based on key assumptions in respect of the appropriate discount rates and longer-term growth rates.<br>As a result of the review, management did not identify any impairments. | We assessed management's allocation of assets for each CGU based on our knowledge of the Group and its operations.<br>We challenged management's assumptions and assessed the achievability of the forecasts included in the impairment model using a number of techniques including assessing accuracy of historic forecasting and post year end performance.<br>We considered whether the revenue, and where relevant associated costs, used in the value in use calculations was reasonable in light of historic performance and projections. This included the projected economic growth and cost inflation, margin and known or probable changes in the business environment.<br>We also challenged management regarding the assumptions made in the model including the cash flow forecast, weighted average cost of capital and discount rate used. We benchmarked the key assumptions applied and considered whether these fell within our acceptable ranges.<br>Based on the procedures we performed, no issues arose from our work that suggested goodwill or intangible assets are materially misstated. |

**Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

# Independent Auditor's Report to the Members of ATC Music Group plc continued

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of Directors**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

*Extent to which the audit was capable of detecting irregularities, including fraud*

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the industry in which it operates. We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the reporting framework, including UK adopted international accounting standards, and significant regulations relating to the sector in which the group operates are employment and taxation laws and regulations in the jurisdictions in which the Group operates.
- For significant and unusual transactions, particularly those occurring at or near year end, we obtained evidence for the rationale of these transactions and evidence supporting the transactions.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.
- We designed our audit procedures to detect irregularities, including fraud. Our procedures included journal entry testing, with a focus on large or unusual transactions based on our knowledge of the business; existence of revenue, enquiries with Group management; and focussed testing as referred to in the Key Audit Matters section above.

# Independent Auditor's Report to the Members of ATC Music Group plc continued

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Christopher Taylor FCA (Senior Statutory Auditor)**
For and on behalf of
**Adler Shine LLP, Statutory Auditor**
Aston House
Cornwall Avenue
London
N3 1LF
2 June 2026

Adler Shine LLP is a limited liability partnership registered in England and Wales (with registered number OC301724).

# Consolidated statement of profit and loss and other comprehensive income

**For the year ended 31 December 2025**

| | Note | **2025 £'000** | 2024 £'000 |
|---|---|---|---|
| **Revenue** | 5 | **67,447** | 50,853 |
| Cost of sales | | **(48,163)** | (35,484) |
| **Gross profit** | | **19,284** | 15,369 |
| Other operating income | 6 | **116** | 255 |
| Administrative expenses | | **(18,126)** | (13,998) |
| Share-based payments | 28 | **(22)** | (41) |
| Depreciation, amortisation and impairment | 13/14 | **(2,222)** | (1,613) |
| Exceptional items | 7 | **(1,044)** | (173) |
| **Operating loss** | 8 | **(2,014)** | (201) |
| Share of results of associates and joint venture | 15 | **(2)** | (224) |
| Finance income | 9 | **91** | 461 |
| Finance charges | 9 | **(795)** | (145) |
| **Loss before tax** | | **(2,720)** | (109) |
| Taxation expense | 11 | **(470)** | (161) |
| **Loss for the year after tax** | | **(3,190)** | (270) |
| **Other comprehensive income:** | | | |
| Items that will not be reclassified to profit and loss | | | |
| Revaluation of unlisted investments | | **-** | 1 |
| Currency translation differences and others | | **(87)** | (44) |
| **Total other comprehensive income** | | **(87)** | (43) |
| **Total comprehensive income for the year** | | **(3,277)** | (313) |
| | | | |
| **Loss for the year attributable to:** | | | |
| - Parent company | | **(3,157)** | (604) |
| - Non-controlling interests | 29 | **(33)** | 334 |
| | | **(3,190)** | (270) |
| | | | |
| **Total comprehensive income for the year is attributable to:** | | | |
| - Parent company | | **(3,244)** | (647) |
| - Non-controlling interests | 29 | **(33)** | 334 |
| | | **(3,277)** | (313) |

| **Profit/(loss) per share:** | Notes | Total Pence | Total Pence |
|---|---|---|---|
| Basic and diluted (pence) | 12 | **(19.01)** | (3.78) |

All amounts relate to continuing activities. The notes on pages 59 to 89 form an integral part of these financial statements.

**Non-GAAP metric – adjusted operating EBITDA**

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Operating loss | **(2,014)** | (201) |
| Depreciation, amortisation and impairment | **2,222** | 1,613 |
| Share-based payment charge | **22** | 41 |
| Exceptional items | **1,044** | 173 |
| Adjusted operating EBITDA[**] | **1,274** | 1,626 |

[** Adjusted operating EBITDA, which is defined as operating profit before depreciation, amortisation, impairment, exceptional items and share-based payment charge, is a non-GAAP metric used by management and is not an IFRS disclosure.]

# Consolidated statement of financial position

**At 31 December 2025**

| | Note | **2025 £'000** | 2024 £'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Intangible assets | 13 | **9,328** | 7,306 |
| Property, plant and equipment | 14 | **3,915** | 2,320 |
| Investments | 15 | **127** | 471 |
| **Total non-current assets** | | **13,370** | 10,097 |
| **Current assets** | | | |
| Inventories | 18 | **1,085** | 896 |
| Trade and other receivables | 19 | **14,589** | 8,181 |
| Cash and cash equivalents | 20 | **21,447** | 9,662 |
| **Total current assets** | | **37,121** | 18,739 |
| **Total assets** | | **50,491** | 28,836 |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | 21 | **28,040** | 15,816 |
| Income tax payable | | **950** | 493 |
| Borrowings | 22 | **233** | 635 |
| Lease liabilities | 23 | **595** | 394 |
| | | **29,818** | 17,338 |
| **Non-current liabilities** | | | |
| Bank loans and borrowings | 22 | **4,728** | 935 |
| Deferred tax liability | 11 | **996** | 913 |
| Lease liabilities | 23 | **2,869** | 1,710 |
| Financial instrument – put and call option | 24 | **1,085** | 846 |
| Total non-current liabilities | | **9,678** | 4,404 |
| **Total liabilities** | | **39,496** | 21,742 |
| **Net assets** | | **10,995** | 7,094 |
| | | | |
| **Equity** | | | |
| Share capital | 26 | **234** | 165 |
| Share premium | | **18,331** | 10,261 |
| Merger reserve | | **2,884** | 2,884 |
| Share-based payment reserve | 27 | **62** | 41 |
| Currency translation reserve | | **(150)** | (86) |
| Retained deficit | | **(11,858)** | (7,325) |
| **Equity attributable to the shareholders of the parent company** | | **9,503** | 5,940 |
| Non-controlling interests | | **1,492** | 1,154 |
| **Total equity** | | **10,995** | 7,094 |

The financial statements were approved and authorised by the Board of Directors on 2 June 2026 and were signed on its behalf by:



**D Lovegrove**

***Company registration number: 13411674***

The accompanying accounting policies and notes on pages 59 to 89 form an integral part of these financial statements.

# Consolidated statement of changes in equity

**At 31 December 2025**

| | Share capital £'000 | Share premium £'000 | Share-based payment reserve £'000 | Merger reserve £'000 | Currency translation reserve £'000 | Retained deficit £'000 | Total £'000 | Non-controlling interests £'000 | Total equity/ (deficit) £'000 |
|---|---|---|---|---|---|---|---|---|---|
| **At 1 January 2024** | **141** | **7,810** | **-** | **2,884** | **(33)** | **(6,698)** | **4,103** | **1,153** | **5,256** |
| Profit/(loss) for the year | - | - | - | - | - | (604) | (604) | 334 | (270) |
| **Other comprehensive income** | | | | | | | | | |
| Currency translation differences on overseas subsidiaries and others | - | - | - | - | (53) | - | (53) | - | (53) |
| **Total comprehensive income** | **-** | **-** | **-** | **-** | **(53)** | **(604)** | **(657)** | **334** | **(323)** |
| Issue of shares | 24 | 2,545 | - | - | - | - | 2,569 | - | 2,569 |
| Share issue costs | - | (94) | - | - | - | - | (94) | - | (94) |
| Share-based payment reserve | - | - | 41 | - | - | - | 41 | - | 41 |
| Additions from business combinations | - | - | - | - | - | - | - | (35) | (35) |
| Dividends paid to non-controlling interests | - | - | - | - | - | - | - | (342) | (342) |
| Dividends paid to an associated company | - | - | - | - | - | (55) | (55) | - | (55) |
| Other movements | - | - | - | - | - | 33 | 33 | 44 | 77 |
| **At 31 December 2024** | 165 | 10,261 | 41 | 2,884 | (86) | (7,325) | 5,940 | 1,154 | 7,094 |
| **At 1 January 2025** | **165** | **10,261** | **41** | **2,884** | **(86)** | **(7,325)** | **5,940** | **1,154** | **7,094** |
| Profit/(loss) for the year | - | - | - | - | - | (3,157) | (3,157) | (33) | (3,190) |
| **Other comprehensive income** | | | | | | | | | |
| Currency translation differences on overseas subsidiaries and others | - | - | - | - | (87) | - | (87) | - | (87) |
| **Total comprehensive income** | **-** | **-** | **-** | **-** | **(87)** | **(3,157)** | **(3,244)** | **(33)** | **(3,277)** |
| Issue of shares | 69 | 8,531 | - | - | - | - | 8,600 | - | 8,600 |
| Share issue costs | - | (461) | - | - | - | - | (461) | - | (461) |
| Share-based payment reserve | - | - | 22 | - | - | - | 22 | - | 22 |
| Additions from business combinations - note 17 | - | - | - | - | - | (1,299) | (1,299) | 354 | (945) |
| Dividends paid to non-controlling interests | - | - | - | - | - | - | - | 4 | 4 |
| Other movements | - | - | (1) | - | 23 | (77) | (55) | 13 | (42) |
| **At 31 December 2025** | **234** | **18,331** | **62** | **2,884** | **(150)** | **(11,858)** | **9,503** | **1,492** | **10,995** |

# Consolidated cash flow statement

**For the year ended 31 December 2025**

| | Note | **2025 £'000** | 2024 £'000 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Loss for the year | | **(3,190)** | (270) |
| Adjustments for: | | | |
| Tax charge/(credit) | 11 | **470** | 161 |
| Finance costs | 9 | **556** | 145 |
| Finance income | 9 | **(91)** | (76) |
| Fair value adjustment to put and call option | 9 | **239** | (385) |
| Depreciation of property, plant and equipment | 14 | **747** | 569 |
| Amortisation | 13 | **1,003** | 764 |
| Impairment | 13 | **288** | 280 |
| Loss on remeasurement | | **184** | - |
| Share-based payment | 28 | **22** | 41 |
| Share of results of associates and joint ventures | 15 | **2** | 224 |
| Cash flows from operating activities before changes in working capital | | **230** | 1,453 |
| (Increase)/decrease in trade and other receivables | | **(6,174)** | (3,339) |
| (Increase)/decrease in inventories | | **(159)** | (132) |
| (Decrease)/increase in trade and other payables – funds held on behalf of clients | | **684** | (405) |
| Increase/(decrease) in trade and other payables – others | | **10,439** | 253 |
| Cash (used in)/ generated from operations | | **5,020** | (2,170) |
| Interest paid | | **(182)** | (145) |
| Tax paid | | **(77)** | (169) |
| **Net cash flows from operating activities** | | **4,761** | (2,484) |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment | | **(466)** | (10) |
| Purchase of subsidiaries (net of cash acquired) | 17 | **(1,750)** | (1,774) |
| Purchase of intangible assets | 13 | **(1,128)** | - |
| Net amount (invested in)/withdrawn from associates and joint ventures | | **-** | 20 |
| Dividends received from associated company | | **-** | 9 |
| Interest received | 9 | **91** | 76 |
| **Net cash (used by)/ generated from investing activities** | | **(3,253)** | (1,679) |
| **Cash flows from financing activities** | | | |
| Issue of equity shares – net of costs | | **8,139** | 2,475 |
| Net proceeds/(repayments) of loans and borrowings | | **3,291** | (866) |
| Dividends paid to non-controlling interests | | **-** | (342) |
| Repayment of lease liability | | **(873)** | (481) |
| **Net cash flows from financing activities** | | **10,557** | 786 |
| **Net increase in cash and cash equivalents** | | **12,065** | (3,377) |
| Effect of foreign exchange rates | | **(280)** | 50 |
| Cash and cash equivalents at the start of the year | | **9,662** | 12,989 |
| **Cash and cash equivalents at the end of the year** | | **21,447** | 9,662 |

Note - Cash and cash equivalents at the reporting date include restricted cash balances of £2,596,028 (2024: £1,911,736 held in separately designated client accounts. These funds are held on behalf of clients and are not available for general use by the Group. These balances are included within cash and cash equivalents for the purposes of the consolidated cash flow statement, in accordance with IAS 7 Statement of Cash Flows.

# Notes to the consolidated financial statements

## 1. General information and basis of preparation

ATC Music Group plc (previously All Things Considered Group plc) was incorporated in England and Wales on 20 May 2021 as a company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales (company registration number 13411674), having its registered office at The Hat Factory, 168 Camden Street, London NW1 9PT. The Group's principal activities during the year are that of an independent music business encompassing artist representation, end-to-end direct to fan services, merchandise, live events and rights.

The Group financial statements consolidated those of the Company and its subsidiaries (together referred to as the 'Group'). The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

The Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards ('UK-Adopted IFRS').

Unless otherwise stated, the consolidated Group financial statements are presented in Pounds Sterling (£) which is the Company's functional currency. Monetary amounts in these financial statements are rounded to the nearest £'000.

The consolidated Group financial statements are prepared under the historical cost convention except for certain financial instruments that have been measured at fair value. The principal accounting policies adopted are set out below.

## 2. Adoption of new and revised standards

*New standards, interpretations and amendments that are effective for the first time for the financial year beginning 1 January 2025*

- 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);
- IFRS 16 Leases (Amendment – Lease Liability in a Sale and Leaseback); and
- IAS 7 Statement of Cash Flows (Amendment – Supplier Finance Arrangements).

The standards and amendments effective have not had any significant impact on the disclosures or on the amounts reported in these financial statements, and no significant impact expected for standards in issue but not in effect.

*Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company in the 31 December 2025 financial statements*

At the date of authorisation of these financial statements, certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. The Directors continue to monitor developments in the accounting standards they see as relevant, but do not expect that the adoption of these standards will have a material impact on the financial statements of the Group in the current or future reporting periods and on foreseeable future transactions.

## 3. Material accounting policies

**Going Concern**
The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the ordinary course of business. 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, which also describes the principal risks and uncertainties facing the Group and the processes in place to manage them.

In December 2025, the Company was admitted to trading on AIM and raised gross proceeds of £8.6 million, strengthening the Group's balance sheet and providing additional liquidity to support its growth strategy.

The Directors have reviewed the Group's current financial position, future plans and cash flow forecasts, including a detailed 12-month forecast period to 30 June 2027. The forecasts, which exclude non-identified opportunities, are based on assumptions regarding revenue, cost base and working capital requirements, and reflect a reasonable assessment of current market conditions and operational plans. Sensitivity analysis has been performed to assess the impact of reasonably possible changes in these assumptions.

# Notes to the consolidated financial statements continued

**3. Material accounting policies** continued

Having considered these forecasts and sensitivities, together with the Group's existing cash resources and available working capital facilities, the Directors are satisfied that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements and is well placed to manage its business risks successfully.

Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

**Basis of consolidation**
The consolidated Group financial statements comprise the financial statements of ATC Music Group plc and its subsidiaries listed in note 16 for "Subsidiaries". The financial statements of all Group companies are adjusted, where necessary, to ensure the use of consistent accounting policies.

Acquisitions are accounted for under the acquisition method from the date control passed to the Group. On acquisition, the assets and liabilities of a subsidiary are measured at their fair values. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill.

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated.

The total comprehensive income of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

Investments in associates and joint ventures are accounted for using the equity method, as set out in note 3.

**Goodwill**
Goodwill represents the amount by which the fair value of the cost of a business combination exceeds the fair value of the net assets acquired, including any identified intangible assets. Goodwill is not amortised and is stated at cost less any accumulated impairment losses.

The recoverable amount of goodwill is tested for impairment annually or when events or changes in circumstance indicate that it might be impaired. Impairment charges are deducted from the carrying value and recognised immediately in the income statement. For impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of the combination. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

**Revenue**
Revenue is recognised in accordance with IFRS 15 Revenue from Contracts with Customers. Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring control of goods or services to a customer at an amount that reflects the consideration to which the Group expects to be entitled.

The Group's contracts primarily comprise arrangements with artists and third parties under which it earns commission-based income and revenue from ticketing and merchandising activities. The Group identifies the performance obligations in each contract, determines the transaction price (including an assessment of variable consideration), allocates the transaction price to the performance obligations where applicable, and recognises revenue when those performance obligations are satisfied.

The majority of the Group's revenue arises from variable consideration linked to artist earnings or event performance. Revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue is presented net of value added tax and other sales-related taxes.

# Notes to the consolidated financial statements continued

**Revenue** continued

Management commission
Management commission income arises from contracts with artists under which the Group provides ongoing management services in exchange for a percentage of the artist's income.

Although management services are provided over time, revenue is recognised at the point in time when the underlying artist income is earned, as this is when the Group's right to consideration is established and the performance obligation is considered satisfied.

Commission on recording, publishing, merchandising and similar artist income
Commission income from recording, publishing, merchandising and similar arrangements is recognised when the artist becomes contractually entitled to income from third parties and the Group's related performance obligation has been satisfied.

Where income is derived from staged advances, revenue is recognised when the relevant contractual milestones are achieved. For income earned in excess of advances, revenue is recognised based on the best available information from third parties, with appropriate constraint applied to variable consideration, including expected returns, retentions and other adjustments.

Commission on tour income
Commission on tour income is recognised at the point in time when the relevant performance takes place, as this is when the Group satisfies its performance obligation and obtains a right to consideration.

Where final settlement statements are not available at the reporting date, revenue is estimated based on contractual terms and the best available information, including minimum guarantees and expected ticket sales. Such estimates are subject to variable consideration constraints.

Ticket sales income
Revenue from ticket sales is recognised at the point in time when the event occurs or is live streamed, being the point at which control of the service transfers to the customer.

Revenue is based on data provided by third-party ticketing agents and is recognised net of expected refunds, which are estimated using historical experience and other relevant factors.

Agency commission
Agency commission income is recognised at the point in time when the underlying service has been provided and the Group's right to consideration is established. The transaction price is variable and is recognised when it can be reliably measured and is highly probable not to result in a significant reversal.

Sale of merchandise
Revenue from the sale of merchandise is recognised at the point in time when control of the goods transfers to the customer.

Where merchandise is sold through third-party distributors, revenue is recognised based on reported sales, with appropriate adjustments for variable consideration, including returns, discounts and rebates.

**Advances**
In the ordinary course of business, the Group pays advances and other expenses recoupable from future royalties to performing artists. The amounts paid are carried at cost less recoupment and less an allowance for any amounts which are not expected to be recoupable, based on past revenue performance and current popularity, or recoverable by other means.

**EBITDA and adjusted operating EBITDA**
Earnings before interest, taxation, depreciation and amortisation ("EBITDA") and adjusted operating EBITDA are non-GAAP measures used by management to assess the operating performance of the Group. Operating EBITDA is defined as the operating result before interest, tax, depreciation, amortisation and impairment and before the share of results of associates and joint ventures. Adjusted for business combination costs, exceptional items and share-based payments.

The Directors primarily use the adjusted operating EBITDA measure when making decisions about the Group's activities. As they are non-GAAP measures, EBITDA and adjusted operating EBITDA measures used by other entities may not be calculated in the same way and hence are not directly comparable.

# Notes to the consolidated financial statements continued

**Exceptional items**
The Group's income statement separately identifies exceptional items. Such items are those that in the Directors' judgement are one off in nature or non-operating and need to be disclosed separately by virtue of their size or incidence. In determining whether an item should be disclosed as an exceptional item, the Directors consider quantitative and qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management and reported to the Board.

**Leases**
The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets, or the arrangement conveys a right to use the asset.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used, which the ATC Music Group plc Directors have assessed to be 2.5%.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

**Foreign currency transactions and translation**
Transactions in foreign currencies are translated into Pound Sterling (£) at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. The resulting gain or loss is reflected in the "Consolidated Statements of Comprehensive Income" within either "Finance income" or "Finance costs".

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the "Statement of Financial Position";
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, the Group recognises in "other comprehensive income" the exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future.

# Notes to the consolidated financial statements continued

**Employee benefits**
The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Retirement benefits**
The Group operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the Group to the funds in respect of the year in which the related employee services were provided. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position. The assets are held separately from those of the Company in an independently administered fund.

**Taxation**
Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of professionals within the Company supported by previous experience in respect of such activities and in certain cases and based on specialist independent tax advice.

**Current tax**
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period in the jurisdictions where the Group operates and generates taxable income.

**Deferred taxation**
Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Group Financial Information. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and expected to apply when the related deferred tax is realised, or the deferred liability is settled. Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

**Acquired Intangible assets**
Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss within administrative expenses category.

***Customer relationships (contracts)***
Customer relationships (contracts) are intangible assets that are commonly identified in the business combinations made by the Group. Customer relationships (contracts) are initially measured at fair value on acquisition date and subsequently measured at cost less accumulated amortisation and impairment losses. Amortisation is recognised to write off the valuation less their residual values over their useful lives on the following basis:

| | | |
|---|---|---|
| Sandbag Limited | Customer relationship (contracts) | 5 years straight line |
| Raw Power Management Limited | Customer relationship (contracts) | 6 years straight line |

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal of an intangible asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

# Notes to the consolidated financial statements continued

**Property, plant and equipment**
Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised to write off the cost of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Right of use assets | Over the lease term |
| Short Leasehold improvements | Over the lease term |
| Fixtures and fittings | 25% reducing balance |
| Computers | 25% reducing balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

**Non-current investments**
Interests in associates and joint ventures are accounted for using the equity method.

Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount is then increased or decreased to recognise the Group's share of the subsequent profit or loss of the associate or joint venture and to include that share of the associate or joint venture's profit or loss in the Group's profit or loss. Distributions received from an associate or joint venture reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the associate or joint venture and for the associate or joint venture's other comprehensive income.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long-term interest and shares control under a contractual arrangement are classified as joint ventures.

**Cash and cash equivalents**
Cash and cash equivalents include cash in hand and deposits held at call with banks.

**Inventories**
Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less cost to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**Financial assets**
Financial assets are recognised in the statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

***Financial assets held at amortised cost***
Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g., trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

***Impairment of financial assets***
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

# Notes to the consolidated financial statements continued

***Derecognition of financial assets***
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**Financial liabilities**
The Group recognises financial debt when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

***Financial liabilities at fair value through profit or loss***
Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

***Other financial liabilities***
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

***Financial instrument - Put and call option***
IFRS 10, IAS 32 and IFRS 9 are considered when determining the appropriate accounting of a combination of call and put options in a business combination in consolidated financial statements. IFRS does not provide clear guidance on how to account for put options that are granted to holders for a Non-Controlling Interest ("NCI"). First, it should be established whether the terms of the NCI put give the parent a present ownership interest in the underlying securities. When determining whether the NCI put might provide a present ownership interest to ATC we consider:

- Pricing - to the extent that the price is fixed or determinable, rather than being at fair value of the underlying shares.
- Voting rights and decision making - to the extent that the voting rights or decision-making connected to the shares concerned are restricted.
- Dividend rights - to the extent that the dividend rights attached to the shares concerned are restricted. It is likely the NCI retains a present ownership interest where it has been agreed between the parties that prior to the exercise of the option all retained profits are to be freely distributed to the existing shareholders according to their current shareholdings.
- Issue of call options - a combination or put and call options, with the same period of exercise and same or similar pricing indicates that the arrangement is a forward contract.

The parent will generally obtain a present ownership interest if the put and call option over the NCI is for a fixed exercise price. Where the pricing of the put and call option is at fair value or formula based on performance, the present ownership generally remains with the NCI.

***Derecognition of financial liabilities***
Financial liabilities are derecognised when, and only when, the company’s obligations are discharged, cancelled, or they expire.

**Provisions**
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

# Notes to the consolidated financial statements continued

***Equity instruments***
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Share capital represents the nominal value of equity shares that have been issued.

The share premium account includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

The merger reserve represents the difference between the share capital of the Company at the date of the Group reorganisation in December 2021 prior to the IPO and that of the previous top organisation of the Group.

Currency translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of foreign investments.

Retained earnings represent all current and prior period retained profits and losses.

Non-controlling interests represent the minority shareholder's ownership interest related to the Group's subsidiaries. Details of the Group's subsidiaries are set out in Note 16. The Group reports its non-controlling interest in subsidiaries as a separate component of equity in the Consolidated Statement of Financial Position and Consolidated Statement of Changes in Equity. Non-controlling interests are measured at the net asset value of entities and do not account for potential voting rights.

***Share-based payments***
The Group operates equity settled share-based compensation plans for the remuneration of its employees.
All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share-based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Fair value of the awards are measured using the Black-Scholes valuation model. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated. The impact of the revision of the original estimates, if any, is recognised in the statement of comprehensive income over the remaining vesting period, with a corresponding adjustment to the share-based payment reserve.

Where modifications are made to the vesting or lapse dates of options the excess of the fair value of the revised options over the fair value of the original options at the modification date is expensed over the remaining vesting period.

***Equity fund raise costs***
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 4. Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

# Notes to the consolidated financial statements continued

**Critical judgements**

**Assessment of useful life of intangible assets**
A critical judgement has been made in determining the useful economic life of the copyright interests acquired in the catalogue purchased during the year. The catalogue is recognised as an intangible asset under IAS 38 and stated at cost less accumulated amortisation and any impairment losses, with amortisation charged on a straight-line basis over its estimated useful economic life. In arriving at that estimate, the Directors have considered the length and stability of the underlying songwriter and copyright relationships, management's forecasts of expected future revenues from the copyright interests, the rate at which income from comparable catalogues has historically decayed, and the contractual and legal protections attaching to the copyrights themselves. On the basis of this assessment, the Directors have determined that 7.5 years represents a reasonable estimate of the useful economic life, and the useful life and amortisation method are reassessed at each reporting date.

**Impairment assessments for goodwill, intangible assets**
IFRS requires the Directors to undertake an annual test for impairment of goodwill, intangible assets and investments in associated undertakings, if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Impairment testing is an area involving judgement in determining estimates, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management’s expectations of:

- growth in EBITDA, calculated as adjusted operating profit before depreciation and amortisation;
- the level of capital expenditure to support long-term growth; and
- the selection of discount rates to reflect the risks involved.

The Directors prepare and approve cash flow projections which are used in the fair value calculations. Changing the assumptions selected by the Directors, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect their impairment evaluation and hence the Group’s results.

**Put and call option**
The group entered into a contract which put in place put and call options over the remaining equity interests of its subsidiary, Sandbag Limited, acquired during 2023. The put and call options have the same exercise price however the call option is only exercisable a year after the put option and will be over the remaining interest not already sold by the put option holders. A judgement has been made by the Directors that the substance of the transaction is such that the group has an obligation to acquire its own shares on the basis that the call and put options are a single integrated contract meant to facilitate the purchase of the remaining shares by either party and the terms of the options are similar.

**Key sources of estimation uncertainty**

**Customer contracts intangible, determination of useful economic life**

The group acquired customer contracts intangible assets through the acquisition of Sandbag Limited and Raw Power Management Limited. Details of the fair values, annual amortisation and the estimated useful economic lives (UEL), based on the expectation of the relationship term from which future economic benefits will derive are as follows:

| | UEL | Fair value £’000 | Annual Amortisation £’000 |
|---|---|---|---|
| Sandbag Limited | 5 | 3,241 | 648 |
| Raw Power Management Limited | 6 | 1,118 | 186 |

If the UEL was amended, the annual amortisation charge would be as follows:

| | 3 years | 8 years |
|---|---|---|
| Sandbag Limited | 1,080 | 405 |
| Raw Power Management Limited | 373 | 140 |

**Accrued revenue**
In the artist representation part of the business, estimates are made for commission earned from events, such as tours, that have completed in the financial year for which the final amounts have yet to be notified by the artist to ATC. The amount of accrued revenue at the end of the year was £1,605,723 (2024: £1,468,892). The estimates are made based on budgeted outcomes and the knowledge of the artist manager and relevant Directors.

In the merchandise part of the business, estimates are made for touring revenue, where goods have been sold to customers (B2C) at events where reporting from the venue has not yet been confirmed. Estimates are also made for the supply of goods delivered to B2B customers. Accrued revenue at the end of the year was £1,630,107 (2024: £652,449).

# Notes to the consolidated financial statements continued

**Put and call option**
The Company has a financial liability in respect of a put option over the remaining equity interests of its subsidiary, Sandbag Limited. The financial liability is measured at fair value, determined in accordance with the option price mechanism set out in the Shareholders' Agreement, based on a multiple of five times the average profit before interest and tax for the three years prior to the option exercise date. The valuation represents a Level 3 fair value measurement under IFRS 13.

At 31 December 2025, the carrying value of the financial liability was £1,085k (2024: £846k). The option remains unexercised at the date of this report.

**Recoverability of artist advances**
The merchandise division of the Group makes advances to artists, which are contractually recoverable against future royalties generated from merchandise sales and touring activity. These advances are typically recouped over a multi-year period, depending on the artist's commercial performance.

Management exercises judgement in assessing the recoverability of these advances. Although the timing of recovery can vary, the Directors of Sandbag Group are confident that the outstanding balances remain recoverable. This assessment is supported by the strength of ongoing artist relationships, forward visibility of confirmed tour schedules, and consistent merchandise sales performance across multiple channels, including online and live event sales. Historical recoupment patterns and recent collection trends further support the expectation of full recovery over the contractual period.

**Inventory obsolescence**
The merchandise part of the business recognises a stock provision which is calculated on the demand for stock from the period 12 months sales. Anything in stock that is in excess of the predicted demand is provided against and written down to its net realisable value. There are some exceptions to the calculation. This is a significant estimate as there is the assumption that the past 12 months demand for a piece of stock will remain the same for the following period.

## 5. Segment reporting

The Group's revenue from external customers by primary geographic region is detailed below:

| Continuing operations | **2025 £'000** | 2024 £'000 |
|---|---|---|
| United Kingdom | **31,885** | 24,801 |
| Europe | **10,869** | 4,984 |
| United States of America | **21,233** | 18,520 |
| Rest of the world | **3,460** | 2,548 |
| **Total** | **67,447** | 50,853 |

**Segmental Analysis – 2025**

The following is an analysis of the Group's revenue and results by reportable segment:

| | Representation £'000 | Services £'000 | Events £'000 | Rights £'000 | Central costs £'000 | Total £'000 |
|---|---|---|---|---|---|---|
| **Revenue** | 14,444 | 45,375 | 7,523 | 105 | - | 67,447 |
| Cost of Sales | (4,101) | (37,763) | (6,278) | (21) | - | (48,163) |
| **Gross Profit** | 10,343 | 7,612 | 1,245 | 84 | - | 19,284 |
| Other operating income | 103 | (320) | 51 | (18) | 300 | 116 |
| Administrative expenses | (8,673) | (6,041) | (1,200) | (12) | (2,200) | (18,126) |
| **Adjusted operating EBITDA** | **1,773** | **1,251** | **96** | **54** | **(1,900)** | **1,274** |
| Depreciation, amortisation and impairment | (943) | (944) | (200) | - | (135) | (2,222) |
| Share-based payments | - | - | - | - | (22) | (22) |
| Exceptional items | (27) | (107) | (170) | - | (740) | (1,044) |
| **Operating profit/(loss)** | **803** | **200** | **(274)** | **54** | **(2,797)** | **(2,014)** |
| Share of results of associates and joint ventures | 18 | (23) | 3 | - | - | (2) |
| Finance income | 28 | 28 | 32 | - | 3 | 91 |
| Finance charges | (233) | (33) | (290) | - | (239) | (795) |
| **Profit/(loss) before taxation** | **616** | **172** | **(529)** | **54** | **(3,033)** | **(2,720)** |
| Taxation | (378) | (179) | (19) | - | 106 | (470) |
| **Profit/(loss) for the year** | **238** | **(7)** | **(548)** | **54** | **(2,927)** | **(3,190)** |
| **Assets and liabilities** | | | | | | |
| Total assets | 15,142 | 18,770 | 6,149 | 34 | 10,396 | 50,491 |
| Total liabilities | (11,723) | (17,912) | (7,948) | (14) | (1,899) | (39,496) |
| **Net assets/(liabilities)** | **3,419** | **858** | **(1,799)** | **20** | **8,497** | **10,995** |

# Notes to the consolidated financial statements continued

**Summary of segments:**

- Representation – artist Management and live representation (ATC Management – Europe and USA, Raw Power Management, ROAM (previously known as ATC Live), Easy Life Group
- Services – merchandising and e-commerce, promotion, placement and technology solutions (Sandbag, ATC Media, Circa, Driift)
- Events – venue ownership, production and promotion of live events (Joy Entertainment Group Limited, ATC Experience)
- Rights – ATC Rights Limited, Omnia Music Group Limited (previously known as Polyphonic Limited)

**Segmental Analysis – 2024**

The following is an analysis of the Group's revenue and results by reportable segment:

| | Representation £'000 | Services £'000 | Events £'000 | Rights £'000 | Central costs £'000 | Eliminations £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| **Revenue** | 11,395 | 35,873 | 3,046 | 539 | - | - | 50,853 |
| Cost of Sales | (2,787) | (29,870) | (2,591) | (236) | - | - | (35,484) |
| **Gross Profit** | 8,608 | 6,003 | 455 | 303 | - | - | 15,369 |
| Other operating income | 210 | (333) | 1 | (18) | 398 | (3) | 255 |
| Administrative expenses | (6,264) | (5,342) | (853) | (181) | (1,361) | 3 | (13,998) |
| **Adjusted operating EBITDA** | **2,554** | **328** | **(397)** | **104** | **(963)** | **-** | **1,626** |
| Depreciation, amortisation and impairment | (448) | (1,144) | (21) | - | - | - | (1,613) |
| Share-based payments | - | - | - | - | (41) | - | (41) |
| Exceptional items | (47) | (35) | (61) | - | (30) | - | (173) |
| **Operating profit/(loss)** | **2,059** | **(851)** | **(479)** | **104** | **(1,034)** | **-** | **(201)** |
| Share of results of associates and joint ventures | 37 | (645) | 85 | - | 299 | - | (224) |
| Finance income | 33 | 42 | 1 | - | 385 | - | 461 |
| Finance charges | (130) | (14) | (1) | - | - | - | (145) |
| **Profit/(loss) before taxation** | **1,999** | **(1,468)** | **(394)** | **104** | **(350)** | **-** | **(109)** |
| Taxation | (145) | 9 | (25) | - | - | - | (161) |
| **Profit/(loss) for the year** | **1,854** | **(1,459)** | **(419)** | **104** | **(350)** | **-** | **(270)** |
| | | | | | | | |
| **Assets and liabilities** | | | | | | | |
| Total assets | 7,115 | 16,093 | 99 | (617) | 6,146 | - | 28,836 |
| Total liabilities | (8,160) | (12,099) | (408) | (112) | (963) | - | (21,742) |
| **Net assets/(liabilities)** | **(1,045)** | **3,994** | **(309)** | **(729)** | **5,183** | **-** | **7,094** |

## 6. Other operating income

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Other income | **116** | 255 |
| **Total Other income** | **116** | 255 |

## 7. Exceptional items

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Termination costs | **82** | 29 |
| Business combination costs | **322** | 144 |
| Transaction and IPO-related costs | **640** | - |
| **Total exceptional costs** | **1,044** | 173 |

During the year, the Group incurred severance costs associated with a targeted restructuring programme aimed at streamlining operations and improving long-term efficiency. These costs primarily relate to one-off termination payments and related expenses for roles made redundant as part of this strategic initiative. In line with the Group's accounting policy, these severance costs have been classified as exceptional items on the basis that they are non-recurring and not considered part of the Group's underlying operating performance.

Business combination costs represent legal, professional, and advisory fees incurred in connection with the Group's acquisition activities. These include due diligence, legal structuring, and transaction advisory services related to completed and acquisitions.

# Notes to the consolidated financial statements continued

**7. Exceptional items** continued

Transaction and IPO-related costs represent incremental external costs directly attributable to the Group's IPO and are non-recurring in nature.

**8. Operating loss**

This is stated after the following:

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| **Depreciation, amortisation and impairment** | | |
| Depreciation – owned assets | **143** | 147 |
| Depreciation – right of use assets | **604** | 422 |
| Depreciation – total | **747** | 569 |
| Amortisation - customer relationships | **834** | 764 |
| Amortisation – other intangibles | **169** | - |
| Loss on remeasurement | **118** | - |
| Loss on acquisition | **66** | - |
| Impairment of goodwill – note 13 | **288** | 280 |
| **Total** | **2,222** | 1,613 |

| | £'000 | £'000 |
|---|---|---|
| Costs in connection with business combination | **322** | 144 |
| Staff costs – note 10 | **13,399** | 10,018 |
| Cost of inventories recognised as an expense | **37,062** | 29,693 |

**Auditor's remuneration**

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Analysis of fees paid to the Group's auditor: | | |
| Audit of the Group and Company's financial statements | **78** | 76 |
| Audit of the financial statements of subsidiaries | **88** | 65 |
| **Total fees paid to Group's auditor** | **166** | 141 |

**9. Finance income and expense**

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Bank interest receivable | **91** | 76 |
| Gain on fair value adjustment to put and call option - note 25 | **-** | 385 |
| **Total finance income** | **91** | 461 |

Total interest income for financial assets that are not held at fair value through profit or loss is £91,469 (2024: £75,482).

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Loss on remeasurement of put and call option - note 24 | **239** | - |
| Interest on lease liabilities | **213** | 129 |
| Interest on loans | **343** | 16 |
| **Total finance expense** | **795** | 145 |

**10. Staff numbers and costs (excluding Non-Executive Directors)**

The average monthly number of employees during the year was:

| | 2025 | 2024 |
|---|---|---|
| Management | **9** | 6 |
| Representation | **89** | 79 |
| Services | **89** | 94 |
| Events | **30** | 9 |
| Total employees | **217** | 188 |

| Their aggregate remuneration comprised: | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Wages and salaries | **11,640** | 8,659 |
| Social security, health benefits and other staff costs | **1,486** | 1,151 |
| Pensions | **251** | 167 |
| Share-based payments | **22** | 41 |
| Total staff costs | **13,399** | 10,018 |

# Notes to the consolidated financial statements continued

**10. Staff numbers and costs (excluding Non-Executive Directors)** continued

Key management of the Group is considered to be the Board of Directors. Details of Directors remuneration is disclosed in the Corporate Governance and Compliance report shown on page 45.

**Defined contribution pension scheme**

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The amount recognised in the income statement as an expense in relation to the Group's defined contribution pension scheme is £250,797 (2024: £167,034). Included within accruals and other creditors is £59,260 (2024: £45,239) for outstanding contributions to the defined contribution pension scheme.

**11. Income tax and deferred tax**

The following tax was recognised in the income statement:

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| UK corporation tax for the current period | **387** | 301 |
| Deferred tax | **83** | (140) |
| **Income tax charge for the year** | **470** | 161 |

The difference between the statutory income tax rate and the effective tax rates are summarised as follows:

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Loss before tax | **(2,720)** | (109) |
| Tax credit at the UK corporation tax rate of 25% | **(680)** | (27) |
| Effects of: | | |
| Non-deductible expenditure | **693** | 413 |
| Income not taxable for tax purposes | **-** | (72) |
| Movement in deferred tax not recognised | **375** | 68 |
| Other adjustments | **82** | (221) |
| **Tax charge for the year** | **470** | 161 |

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| **Deferred tax – on customer relationships intangible** | | |
| At 1 January | **913** | 773 |
| Deferred tax on business combinations – note 17 | 191 | 279 |
| Deferred tax on prior year business combinations | (234) | (112) |
| Other deferred tax (current year) | 122 | (50) |
| Movement in deferred tax provision | 4 | 23 |
| **At 31 December** | **996** | 913 |

**Factors affecting future tax charges**
At the reporting date, the Group has unused tax losses of £8.7m (2024: £7.4m) available for offset against future profits. No deferred tax asset has been recognised in respect of these losses due to uncertainty over the timing and availability of future taxable profits.

**12. Earnings per share**

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Loss attributable to owners of parent company | **(3,157)** | (604) |
| Basic and diluted number of shares in issue | **16,610** | 15,997 |
| **Earnings per share** | *Pence* | *Pence* |
| Basic and diluted loss per share | **(19.01)** | (3.78) |
| Basic and diluted loss per share (Continuing activities) | **(19.01)** | (3.78) |

Basic earnings per share is calculated by dividing the profit/loss after tax attributable to the equity holders of the Group by the weighted numbers of shares in issue during the year.

# Notes to the consolidated financial statements continued

**12. Earnings per share** continued

The calculation of basic earnings per share is based on the loss for the period of £3,157,000 (2024: loss of £604,000) and a weighted average number of shares in issue of 16,610,267 (2024: 15,997,003), resulting in a basic loss per share of 19.01p (2024: loss of 3.78p). The weighted average number of shares for diluted earnings per share, assuming the exercise of all warrants and share options, is 17,497,821 (2024: 16,648,581); however, as the Group incurred a loss for the period, the diluted loss per share is the same as the basic loss per share.

**13. Intangible assets and impairment**

| | Goodwill £'000 | Customer Relationship £'000 | IT Software £'000 | Catalogue £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2025 | 4,266 | 4,359 | - | - | 8,625 |
| Additions – business combinations – note 17 | 1,389 | - | - | 765 | 2,154 |
| Additions | 1,115 | - | 13 | - | 1,128 |
| Reclassifications from tangible fixed assets | - | - | 536 | - | 536 |
| Disposals | - | - | (128) | - | (128) |
| Foreign currency adjustments | (28) | - | - | - | (28) |
| **At 31 December 2025** | **6,742** | **4,359** | **421** | **765** | **12,287** |
| **Amortisation and impairment** | | | | | |
| At 1 January 2025 | 264 | 1,055 | - | - | 1,319 |
| Reclassifications | - | - | 372 | - | 372 |
| Disposals | - | - | (128) | - | (128) |
| Amortisation charge for period | - | 834 | 67 | 102 | 1,003 |
| Impairment | 288 | - | - | - | 288 |
| Loss on remeasurement | 118 | - | - | - | 118 |
| Foreign currency adjustments | (13) | - | - | - | (13) |
| **At 31 December 2025** | **657** | **1,889** | **311** | **102** | **2,959** |
| **Net book value** | | | | | |
| At 31 December 2024 | 4,002 | 3,304 | - | - | 7,306 |
| **At 31 December 2025** | **6,085** | **2,470** | **110** | **663** | **9,328** |

Amortisation of customer relationships is calculated using a straight-line method over a period ranging from five to six years. The amortisation period associated with the Sandbag Limited customer relationship intangible asset was assessed as five years. The useful economic life of the client relationship at Raw Power Management Limited was assessed as six years. Catalogue intangible assets are amortised on a straight-line basis over seven and a half years.

Analysis of goodwill is as follows:

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| ATC Live LLP | **517** | 517 |
| Circa LLC | **364** | 392 |
| Sandbag Limited | **909** | 909 |
| Joy Entertainment Group Limited | **518** | 518 |
| Raw Power Management Limited | **1,666** | 1,666 |
| Easy Life Group | **366** | - |
| Control Industry Inc | **565** | - |
| Volks | **550** | - |
| Concorde 2 | **630** | - |
| **Total** | **6,085** | 4,002 |

**Goodwill**

On 27 February 2025, the Group acquired a 60% interest in the Brighton-based late-night venue, Volks, for total consideration of £650,000. The cash outflow of £550,000 is presented within investing activities in the consolidated statement of cash flows.

On 5 March 2025, the Group acquired a majority interest in the Brighton-based music venue, Concorde 2. Through its subsidiary, Joy Entertainment Group Limited, ATC has increased its ownership of Concorde 2 from 10% to 80% for a consideration of £875,000.

On 1 May 2025, Sandbag Limited, a subsidiary in which the Group holds a 60% interest, acquired certain assets of Control Industry Inc for total consideration of $760,000, including deferred consideration of $240,000. The cash outflow of $520,000 relating to the acquisition is presented within investing activities in the consolidated statement of cash flows.

**Valuation of acquired intangible assets**

The fair value of intangible assets acquired in business combinations is determined using appropriate valuation techniques that estimate the present value of future economic benefits attributable to the asset. The Group applies an income-based valuation approach, which reflects the present value of expected future cash flows generated by the intangible asset.

# Notes to the consolidated financial statements continued

**13. Intangible assets and impairment** continued

**Impairment review**
At the year end, the Group performed its annual impairment review in accordance with IAS 36, Impairment of Assets. The review assessed whether the carrying amounts of goodwill and acquired intangible assets were recoverable for each cash-generating unit (CGU).

The impairment assessment was based on value-in-use calculations, determined by discounting projected cash flows derived from five-year financial forecasts approved by management at a discount rate of 17.10%. A growth rate of 5% was applied in the terminal period. This rate is lower than both current growth rates and long-term market expectations and therefore reflects a prudent forecasting approach.

The review concluded that, for the majority of CGUs, the present value of projected cash flows exceeded the carrying amounts of goodwill and acquired intangible assets. However, impairment charges were recognised in respect of Easy Life Group (£275,000) and Volks (£12,508), where the recoverable amounts were below carrying value.

Analysis of impairment charge as follows:

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Easy Life Group | **275** | **-** |
| Volks | **13** | - |
| ATC Management Inc | **-** | 254 |
| Familiar Music | **-** | 10 |
| ATC4 LLP | **-** | 16 |
| **Total** | **288** | 280 |

The Directors have considered the sensitivity of the impairment assessment to reasonably possible changes in key assumptions and are satisfied that no such change would result in the carrying amounts of the remaining CGUs exceeding their recoverable amounts.

**14. Property, plant and equipment**

| | Right-of-use assets £'000 | Short Leasehold improvements £'000 | Furniture, fittings and equipment £'000 | Computers and IT equipment £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2025 | 3,273 | 44 | 372 | 945 | 4,634 |
| Reclassifications to intangible assets | - | - | (13) | (523) | (536) |
| Additions | 1,981 | 331 | 68 | 67 | 2,447 |
| Additions as a result of business combinations | - | 390 | - | 827 | 1,217 |
| Disposals | - | (319) | (45) | (62) | (426) |
| Remeasurement arising from lease modification | 39 | - | - | - | 39 |
| Foreign currency adjustments | (148) | - | (4) | (5) | (157) |
| **At 31 December 2025** | **5,145** | **446** | **378** | **1,249** | **7,218** |
| **Accumulated Depreciation** | | | | | |
| At 1 January 2025 | 1,309 | 44 | 242 | 719 | 2,314 |
| Reclassifications to intangible assets | - | - | 12 | (384) | (372) |
| Charge for year | 604 | 10 | 41 | 92 | 747 |
| Additions as a result of business combinations | - | 170 | - | 608 | 778 |
| Disposals | - | (44) | (40) | (58) | (142) |
| Foreign currency adjustments | (25) | - | - | 3 | (22) |
| **At 31 December 2025** | **1,888** | **180** | **255** | **980** | **3,303** |
| **Net book value** | | | | | |
| At 31 December 2024 | 1,964 | - | 130 | 226 | 2,320 |
| **At 31 December 2025** | **3,257** | **266** | **123** | **269** | **3,915** |

Under IFRS 16 *Leases*, the Group recognises right-of-use assets and corresponding lease liabilities for property leases.

During the year, the Group entered into two new property leases in respect of offices in New York and Brighton, resulting in additions to right-of-use assets of £1,869,629 (2024: £1,981,770). Right-of-use assets are measured at cost and depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The carrying amount of right-of-use assets at 31 December 2025 was £3,257,038 (2024: £1,964,417). Depreciation charged in the year amounted to £604,071 (2024: £422,342). Lease liabilities associated with these assets are disclosed in Note 23.

# Notes to the consolidated financial statements continued

## 15. Investments

***Non-current***

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Investment in associates and joint ventures | **127** | 471 |

**Fair value of financial assets carried at amortised cost**

Except as detailed below the Directors believe that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

**Movements in non-current investments**

| | Joint Ventures £'000 | Associates £'000 | Total £'000 |
|---|---|---|---|
| **Cost** | | | |
| At 1 January 2024 | 401 | 507 | 908 |
| Share of profit/(loss) for the year | 37 | (261) | (224) |
| Net amount invested in associates and joint ventures | - | 154 | 154 |
| Foreign currency adjustments | (35) | (80) | (115) |
| **At 31 December 2024** | **403** | **320** | **723** |
| **Movements in 2025** | | | |
| Share of profit/(loss) for the year | 18 | (20) | (2) |
| Derecognition of investment in associate on acquisition of remaining shareholding | - | (295) | (295) |
| Foreign currency adjustments | (56) | 9 | (47) |
| **At 31 December 2025** | **365** | **14** | **379** |
| **Impairment** | | | |
| At 31 December 2024 | 252 | - | 252 |
| **At 31 December 2025** | **252** | **-** | **252** |
| **Net book value** | | | |
| At 31 December 2024 | 151 | 320 | 471 |
| **At 31 December 2025** | **113** | **14** | **127** |

**Share of results of associates and joint ventures**

| Joint ventures | 2025 £'000 | 2024 £'000 |
|---|---|---|
| ATC 9 LLP | **18** | 37 |
| **Total** | **18** | 37 |

| Associates | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Company X LLC | **(10)** | - |
| Driift Holdings Limited | **(13)** | (346) |
| Concorde 2 | **-** | 38 |
| Apex Festival Services Limited (previously known as JTR Productions Limited) | **-** | 51 |
| Brighton Psych Fest | 3 | (4) |
| **Total** | **(20)** | (261) |

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Total | **(2)** | (224) |

# Notes to the consolidated financial statements continued

**15. Investments** continued

**Associates**

Details of the company's associates at 31 December 2025 are as follows:

| Name of undertaking | Registered office and principal place of business | Country of Incorporation and company number | Nature of business | Class of share held | % held Indirect | % held Direct |
|---|---|---|---|---|---|---|
| Tupelo Entertainment Limited | 26 Litchfield Street, London, England, WC2H 9TZ | England and Wales 14669823 | Performing arts | Ordinary shares | 17.54% | - |
| Simpatico Music & brand Partnerships Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 12852157 | Branding and sponsorship | Ordinary shares | 25.00% | - |
| Company X LLC | 830 Seward St. Los Angeles, CA 90038, USA | United States | Branding and sponsorship agency | Membership interest | 42.50% | - |
| Elsinore Gloaming LLC | 1501 Broadway Suite 2505, New York, NY 10036 | United States | Development and production of live and digital entertainment properties | Membership interest | 33.00% | - |
| Something Recordings Ltd | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 14028534 | Sound recording and music publishing activities | Ordinary shares | 40.00% | - |

Details of the company's associates at 31 December 2025 are as follows:

- Company X LLC is a direct associate of ATC Media Inc and an indirect associate of ATC Music Group plc.
- Something Recordings Limited is an indirect associate of ATC Events Limited and ATC Music Group plc.
- The Group’s investment in Driift Holdings Limited, previously accounted for as an associate, was derecognised on 7 February 2025 when control was obtained. The carrying amount derecognised was £140,314.
- The Group’s investment in Concorde 2, previously accounted for as an associate, was derecognised on 5 March 2025 when control was obtained. The carrying amount derecognised was £154,538.

**Joint ventures**

Details of the company's joint ventures at 31 December 2025 are as follows:

| Name of undertaking | Registered office and principal place of business | Country or Incorporation and company number | Nature of business | Class of share held | % held Indirect | % held Direct |
|---|---|---|---|---|---|---|
| ATC 9 LLP | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales OC380773 | Music management consultants | Members capital | 50.00% | - |
| Wild Fields Events Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 15042296 | Festival production | Members capital | 50.00% | - |
| One Eskimo LLP | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales OC338338 | Music Management services | Members capital | 50.00% | - |

# Notes to the consolidated financial statements continued

**16. Subsidiaries**

Details of the company's subsidiaries at 31 December 2025 are as follows:

| Name of undertaking | Registered office and principal place of business | Country of Incorporation and company number | Nature of business | Class of share held | % held Indirect | % held Direct |
|---|---|---|---|---|---|---|
| All Things Considered Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 3164812 | Music management services | Ordinary shares | 100.00% | - |
| ATC Experience Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 14155196 | Development and production of live and digital entertainment properties | Ordinary shares | 90.00% | - |
| Gloaming (Hamlet HTTT) UK Ltd | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 14889147 | Development and production of live and digital entertainment properties | Ordinary shares | 100.00% | - |
| Omnia Music Group Limited (previously Polyphonic Limited) | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 11540636 | Music management services | Ordinary shares | 100.00% | - |
| ATC Royalties Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 7900547 | Royalty collection and licensing | Ordinary shares | 100.00% | - |
| ATC North America Inc | 830 Seward St. Los Angeles, CA 90038 | United States | Holding Company | Ordinary shares | - | 100.00% |
| ATC Media Inc | 830 Seward St. Los Angeles, CA 90038 | United States | Holding Company | Ordinary shares | 100.00% | - |
| ATC Artist Management Inc | 830 Seward St. Los Angeles, CA 90038 | United States | Music management services | Ordinary shares | 85.7.% | - |
| Familiar Music Group | 830 Seward St. Los Angeles, CA 90038 | United States | Brand partnership and synch consultants | Membership interest | 55.00% | - |
| Live X LLC | 830 Seward St. Los Angeles, CA 90038 | United States | Dormant | Membership interest | 100.00% | - |
| Circa LLC | 830 Seward St. Los Angeles, CA 90038 | United States | Club, Radio and Digital music consultants | Membership interest | 100.00% | - |
| ATC Live LLP | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales OC362561 | Live music booking | Members capital | 90.00% | - |
| ROAM Artists Limited (previously ATC Live Agency Limited) | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 1325858 | Live music booking | Ordinary shares | 100.00% | - |
| ROAM Artists Holdings Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 1325858 | Holding Company | Ordinary shares | 100.00% | - |
| ATC Composers Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 14631212 | Royalties | Ordinary shares | 51.00% | - |
| Sandbag Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 04382666 | Merchandise manufacturing and selling | Ordinary shares | 60.00% | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| Quicksand Distribution Limited | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 07267299 | Dormant | Ordinary shares | 60.00% | - |
| Eleventyfour LP | Unit 6a, 132C S Main Street, Los Angeles, CA USA | United States | Merchandise manufacturing and selling | Partnership interest | 100.00% | - |
| Eleventyfive LLC | Unit 6a, 132C S Main Street, Los Angeles, CA USA | United States | Merchandise manufacturing and selling | Ordinary shares | 100.00% | - |
| A Touring Company BV | Prins Hendrikkade 21 E, 1012TL Amsterdam | Netherlands | Merchandise fulfilment | Ordinary shares | 100.00% | - |
| MBM Media LLC | 830 Seward St. Los Angeles, CA 90038 | United States | Recorded music exploitation | Ordinary shares | 55.00% | - |
| ATC Events Ltd | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 15191817 | Holding company for events activities | Ordinary shares | - | 100.00% |
| ATC Rights Ltd | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 15331443 | Holding company for rights/licensing | Ordinary shares | - | 100.00% |
| All Things Considered Services Ltd | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 15333700 | Holding company for rights/licensing | Ordinary shares | - | 100.00% |
| ATC Representation Ltd | The Hat Factory 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 15333452 | Holding company for artist management services | Ordinary shares | - | 100.00% |
| Joy Entertainment Group Limited | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 13350716 | Holding Company | Ordinary shares [1] | 50.00% | - |
| Apex Festival Services Limited (Previously known as JTR Productions Limited) | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 12469228 | Music venue amenity operations | Ordinary shares | 93.70% | - |
| Joy Concerts Limited | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 10909989 | Support activities for music venue | Ordinary shares | 98.60% | - |
| Brighton Psych Fest Limited | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 15274508 | Support activities for music venue | Ordinary shares | 50.00% | - |
| Volks Brighton Limited | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 15644394 | Music venue | Ordinary shares | 60.00% | - |
| Concorde 2 Limited | 168 Church Road, Hove, East Sussex, BN3 2DL, United Kingdom | England and Wales 03842503 | Music venue | Ordinary shares | 80.00% | - |
| Raw Power Management Limited | The Hat Factory, 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 06031020 | Music management services | Ordinary shares | 55.00% | - |
| Raw Power Management Inc | 5950 Canoga Avenue Woodland Hills, CA, 91367-5089 USA | United States | Music management services | Ordinary shares | 100.00% | - |
| Driift Holdings Limited | The Hat Factory, 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 12995010 | Holding Company | Ordinary shares | 100.00% | - |
| Driift Live Limited | The Hat Factory, 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 12673054 | Livestreaming events | Ordinary shares | 100.00% | - |
| Driift Live Inc | 830 Seward St. Los Angeles, CA 90038 | United States | Livestreaming events | Ordinary shares | 100.00% | - |
| Dreamstage Inc | 830 Seward St. Los Angeles, CA 90038 | United States | Technology | Ordinary shares | 100.00% | - |
| Easy Life Entertainment Limited | The Hat Factory, 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 08843432 | Music publishing and sound recording | Ordinary shares | 75.00% | - |
| Real Life Entertainment Limited | The Hat Factory, 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 12550385 | Music management services | Ordinary shares | 100.00% | - |

| | | | | | | |
|---|---|---|---|---|---|---|
| Turn the Page LDN | The Hat Factory, 166-168 Camden Street, London, NW1 9PT, United Kingdom | England and Wales 11754776 | Public relations and marketing | Ordinary shares | 100.00% | - |

[1] As at 6 February 2024, 50% of Joy Entertainment Group Limited has been included as a subsidiary in the consolidated financial statements. The Company has control over Joy Entertainment Group Limited, as evidenced by its ability to exercise significant influence over its operations. This control is demonstrated by the Company's right to a casting vote at the board level, providing it with the decisive power in key strategic decisions. Consequently, Joy Entertainment Group Limited has been consolidated in the financial statements in accordance with applicable accounting standards.

The following companies are exempt from the obligation to have their individual financial statements audited pursuant to Section 479a of the 2006 Companies Act:

- All Things Considered Limited - registration number 03164812
- ATC Live LLP - registration number OC362561
- ATC Experience Limited - registration number 14155196
- Omnia Music Group Limited (previously known as Polyphonic Limited) - registration number 11540636
- ATC Royalties Limited - registration number 07900547
- ATC Composers Limited - registration number 14631212
- ATC Live Agency Limited - registration number 13325858
- ATC Events Limited - registration number 15191817
- ATC Rights Limited - registration number 15331443
- ATC Representation Limited - registration number 15333452
- All Things Considered Services Limited - registration number 15333700
- Gloaming (Hamlet HTTT) UK Ltd - registration number 14889147
- Easy Life Entertainment Limited - registration number 08843432
- Real Life Management Limited - registration number 12550385
- Turn the Page LDN Limited - registration number 11754776
- Raw Power Management Limited - registration number 06031020
- Driift Holdings Limited - registration number 12995010
- Driift Live Limited - registration number 12673054

**17. Business Combinations and Changes in Ownership Interests**

On 7 February 2025, the Group acquired the remaining shareholding in Driift Holdings Limited (“Driift”), a provider of end-to-end livestreaming solutions within the Group’s services division. This transaction increased the Group’s stake from a 32.5% minority interest to full ownership (100%) of Driift for a cash consideration of £196,944. In accordance with IFRS 3 Business Combinations, the previously held equity interest of 32.5% was remeasured to its acquisition-date fair value of £127,000, which was included in the total consideration transferred. The fair value of the net assets acquired was £391,000. As the aggregate consideration was less than the fair value of the net assets acquired, a gain on bargain purchase of £67,000 was recognised in the consolidated statement of profit or loss. The acquisition provides the Group with full control over Driift, enabling it to integrate livestreaming services more closely with its events portfolio, enhance revenue opportunities, and strengthen its digital capabilities.

On 5 March 2025, the Group acquired a majority interest in the Brighton-based music venue, Concorde 2. Through its subsidiary, Joy Entertainment Group Limited, ATC has increased its ownership of Concorde 2 from 10% to 80% for a consideration of £875,000.

On 1 July 2024, the Group obtained control of Apex Festival Services Limited (previously known as JTR Productions Limited), a UK company engaged in the provision of bar and associated services at large-scale festivals, including On the Beach in Brighton (c.70,000 capacity across two weekends annually) and Pride in the Park within the Brighton Pride Festival (c.50,000 capacity). From this date, Apex Festival Services has been consolidated as a subsidiary of the Group. On 12 March 2025, the Group acquired an additional 43.7% equity interest in Apex Festival Services for cash consideration of £1.322 million, increasing its ownership to 93.7%. As control had already been obtained on 1 July 2024, this transaction has been accounted for as an equity transaction in accordance with IFRS 10. No additional goodwill has been recognised. The difference between the consideration paid and the carrying value of the non-controlling interest acquired has been recognised directly in retained earnings (£1,299,000).

On 1 April 2025, the Group acquired a 75% majority interest in Easy Life Entertainment (“Easy Life”), a music management and record label company for a net consideration of £1,025,000. Easy Life Entertainment consists of Real Life Management, Easy Life Records and Turn the Page PR. The consideration included the acquisition of a boat, which was subsequently sold shortly after completion for £275,000. Accordingly, the net acquisition cost was £750,000.

# Notes to the consolidated financial statements continued

**17. Business Combinations and Changes in Ownership Interests** continued

Details of the fair value of identifiable assets and liabilities acquired, and purchase consideration and combined goodwill at the date control passed are as follows:

| | Driift £'000 | Concorde 2 £'000 | Apex £'000 | Easy Life £'000 | Total £'000 |
|---|---|---|---|---|---|
| Property, plant and equipment | 4 | 379 | - | 55 | 438 |
| Inventories | - | 30 | - | - | 30 |
| Trade and other receivables | 38 | 69 | - | 127 | 234 |
| Cash and cash equivalents | 1,214 | 122 | - | 333 | 1,669 |
| Trade and other payables | (865) | (204) | - | (715) | (1,784) |
| Borrowings | - | (46) | - | (53) | (99) |
| Non-controlling interests | - | (70) | - | (128) | (198) |
| Fair value adjustments: | | | | | |
| Intangible assets | - | - | - | 765 | 765 |
| **Net identifiable assets acquired at fair value** | **391** | **280** | **-** | **384** | **1,055** |
| **Cash consideration** | | | | | |
| % acquired during period | 67.5% | 70.0% | 43.7% | 75.0% | |
| Cash consideration for % acquired | 197 | 875 | 1,322 | 1,025 | 3,419 |
| **Cash consideration** | **197** | **875** | **1,322** | **1,025** | **3,419** |
| **Goodwill** | | | | | |
| Cash consideration | - | 875 | - | 1,025 | 1,900 |
| Fair value of previously held 10% interest to its fair value on acquisition date | - | 153 | - | - | 153 |
| Loss on remeasurement of previously held 10% interest to its fair value on acquisition date | - | (118) | - | - | (118) |
| Fair value of net assets acquired | - | (280) | - | (384) | (664) |
| **Goodwill acquired** | **-** | **630** | **-** | **641** | **1,271** |
| **Net cash acquired** | | | | | |
| Cash consideration | 197 | 875 | 1,322 | 1,025 | 3,419 |
| Cash and cash equivalents acquired | 1,214 | 122 | - | 333 | 1,669 |
| **Net cash acquired/(paid)** | **1,017** | **(753)** | **(1,322)** | **(692)** | **(1,750)** |

**18. Inventories**

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Cost | **1,396** | 1,205 |
| Less: obsolescence provision | **(311)** | (309) |
| At 31 December | **1,085** | 896 |

The cost of inventories recognised as an expense during the year in respect of continuing operations was £37,062,417 (2024: £29,639,094).

**19. Trade and other receivables**

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Trade receivables - gross | **7,424** | 3,028 |
| Less: provision for trade receivables | **(15)** | (51) |
| Trade receivables - net | **7,409** | 2,978 |
| Other receivables | **2,998** | 2,451 |
| Trade and other receivables excluding prepayments and accrued income | **10,407** | 5,429 |
| Prepayments and accrued income | **4,182** | 2,752 |
| Total trade and other receivables | **14,589** | 8,181 |

Trade and other receivables are all current and any fair value difference is not material. A loss allowance for expected credit losses is recognised based upon the lifetime expected credit losses in cases where the credit risk on trade and other receivables has increased significantly since initial recognition. In cases where the credit risk has not increased significantly, the Group measures the loss allowance at an amount equal to the 12-month expected credit loss. This assessment is performed on a collective basis considering forward-looking information.

# Notes to the consolidated financial statements continued

## 20. Cash and cash equivalents

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Own funds | **18,851** | 7,750 |
| Funds held on behalf of clients | **2,596** | 1,912 |
| At 31 December | **21,447** | 9,662 |

Funds held on behalf of clients represent cash and cash equivalents held in separately designated accounts on behalf of promoters and artists.

## 21. Trade and other payables

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Trade payables | **3,537** | 1,768 |
| Accruals and deferred income | **18,392** | 9,520 |
| Tax and social security | **2,820** | 1,994 |
| Amounts owed to clients for funds held on their behalf | **2,596** | 1,912 |
| Deferred consideration | **178** | - |
| Other payables | **517** | 622 |
| Total trade and other payables | **28,040** | 15,816 |

## 22. Borrowings›

| Borrowings held at amortised cost: | Current 2025 £'000 | Current 2024 £'000 | Non-current 2025 £'000 | Non-current 2024 £'000 | Total 2025 £'000 | Total 2024 £'000 |
|---|---|---|---|---|---|---|
| Other loans | 79 | 115 | 4,728 | 775 | 4,807 | 890 |
| Bank loans | 154 | 520 | - | 160 | 154 | 680 |
| **At 31 December** | **233** | **635** | **4,728** | **935** | **4,961** | **1,570** |

At 31 December 2025, the Group had an outstanding loan facility of £4 million with an external lender. The loan facility is supported by a parent company guarantee provided by the Company in favour of the lender. The Directors confirm that the facility does not contain any exceptional or onerous terms.

| Loans | Interest rate | Terms | 2025 £'000 | 2024 £'000 |
|---|---|---|---|---|
| Unsecured | 2.5% | Interest is payable quarterly. The loan is repayable in annual instalments of £50,000 commencing on 1 October 2021 with the balance requiring repayment in full by 1 October 2030. | 750 | 800 |
| Unsecured | 3.65% over base rate | The first twelve months of interest from 2 July 2020 is payable by the UK government rather than the Group. Interest is then payable quarterly by the Group and the loan itself is repayable in monthly instalments of £2,916 commencing July 2021. The loan is secured over the assets of the company. | 20 | 55 |
| Unsecured | 2.5% | Interest is payable quarterly. The loan is repayable by monthly instalments of £833 ending in April 2026. | - | 16 |
| Secured | 3.99% over base rate | The loan and interest are repayable in monthly instalments of £13,333 with the final repayment date being 1 September 2026. | 120 | 280 |
| Unsecured | 2.5% | The first twelve months of interest from 2 July 2020 is payable by the UK government rather than the Group. Initial loan of £50,000. The loan is repayable in monthly instalments of £887 per month with the final repayment date being 1 September 2026 | 9 | 19 |
| Unsecured | Interest-free | Initial loan of £800k with £200k being paid in quarterly instalments | - | 400 |
| Unsecured | 2.5% | The loan and interest are paid on a monthly basis with the final repayment being 1 June 2026 | 4 | - |
| Unsecured | 2.5% | The loan and interest are paid on a monthly basis with the final repayment being 1 December 2029 | 26 | - |
| Unsecured | 2.5% | The loan and interest are paid on a monthly basis with the final repayment being 1 November 2029 | 11 | - |
| Unsecured | 2.5% | The loan and interest are payable on a monthly basis with the final repayment being 1 September 2026 | 21 | - |
| Secured | 4% over SOFR | Loan of £4 million signed on 27 February 2025. Loan is structured to be repaid in five equal annual instalments of £800k, with final repayment upon expiry of the loan on 31 January 2030. Interest is accrued and payable in arrears on each payment date. | 4,000 | - |
| **Total** | | | **4,961** | **1,570** |

# Notes to the consolidated financial statements continued

## 23. Leases

| Maturity analysis | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Within one year | **800** | 511 |
| In two to five years | **2,447** | 1,111 |
| In six to ten years | **1,125** | 1,036 |
| Total undiscounted liabilities | **4,372** | 2,658 |
| Future finance charges and other adjustments | **(908)** | (554) |
| **Lease liabilities in the financial statements** | **3,464** | 2,104 |

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

| | 2025 £'000 | 2023 £'000 |
|---|---|---|
| Current liabilities | **595** | 394 |
| Non-current liabilities | **2,869** | 1,710 |
| | **3,464** | 2,104 |

***Amounts recognised in the consolidated income statement***

The consolidated income statement shows the following amounts relating to leases:

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Interest paid on lease liability | **213** | 129 |

Lease payments represent rentals payable by All Things Considered Limited, ATC Live Agency Ltd and Sandbag Limited for its business premises (property).

There are no contingent rent, renewal or purchase options and escalation clauses in the lease agreement. There are no significant restrictions imposed by lease arrangements.

The weighted average incremental borrowing rate applied to measure lease liabilities is 6.6% (2024: 4.49%) for leasehold property.

## 24. Financial instruments

| Carrying amount of financial assets | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Financial assets measured at amortised cost (trade and other receivables excluding prepayments and accrued income) | **10,407** | 5,429 |
| Financial assets at fair value through the profit and loss account (cash and cash equivalents) | **21,447** | 9,662 |

| Carrying amount of financial liabilities | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Financial liabilities at amortised cost (total liabilities excluding put and call option and deferred income) | **33,345** | 19,978 |
| Financial liabilities at fair value through the profit and loss account (put and call option) | **1,085** | 846 |

**Fair Value Estimation**

Fair value measurements are disclosed according to the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices), or indirectly (that is, derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3). This is the case for unlisted equity securities.

# Notes to the consolidated financial statements continued

**24. Financial instruments** continued

The following table represents the Group's assets that are measured at fair value at 31 December 2025:

| | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|---|---|---|---|
| Put and call option | - | - | 1,085 | 1,085 |
| Customer relationships | - | - | 4,359 | 4,359 |
| Catalogue | - | - | 765 | 765 |
| | **-** | **-** | **6,209** | **6,209** |

The following table represents the Group's assets that are measured at fair value at 31 December 2024:

| | Level 1 £'000 | Level 2 £'000 | Level 3 £'000 | Total £'000 |
|---|---|---|---|---|
| Put and call option | - | - | 846 | 846 |
| Customer relationships | - | - | 4,359 | 4,359 |
| Catalogue | - | - | - | - |
| | **-** | **-** | **5,205** | **5,205** |

The Directors consider the carrying amounts of financial assets and liabilities carried at amortised cost in the financial statements approximate to their fair values and are measured in accordance with the group accounting policy.

A financial liability is recognised in respect of a put and call option over the remaining 40% of the share capital of Sandbag Limited not currently owned by the Company.

At 31 December 2025, the liability was measured at fair value of £1,085,106 (2024: £845,779), determined in accordance with the option price mechanism set out in the Shareholders' Agreement.

The put and call option remains unexercised at the date of this report.

**25. General risk management principles**

The Group's activities expose it to a variety of risks including market risk (interest rate risk), credit risk and liquidity risk. The Group manages these risks through an effective risk management programme and through this programme, the Board seeks to minimise potential adverse effects on the Group's financial performance. The Directors have an overall responsibility for the establishment of the Group's risk management framework. A formal risk assessment and management framework for assessing, monitoring and managing the strategic, operational and financial risks of the Group is in place to ensure appropriate risk management of its operations.

The subsequent headings set out the key financial risks that the Group faces.

***Liquidity risk***

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments on a regular basis to ensure that it has sufficient funds to meet the obligations as they fall due.

The Board receives regular forecasts which estimate cash flows over the next eighteen months, so that management can ensure that sufficient funding is in place as it is required.

# Notes to the consolidated financial statements continued

**25. General risk management principles** continued

The tables below summarise the maturity profile of the combined group's non-derivative financial liabilities at each financial year end based on contractual undiscounted payments, including estimated interest payments where applicable:

| At 31 December 2025 | Less than 6 months £'000 | 6 months to 1 year £'000 | 1 to 5 years £'000 | 5 years £'000 | Total £'000 |
|---|---|---|---|---|---|
| Trade payables | 3,325 | 101 | 111 | - | 3,537 |
| Other taxation and social security | 1,138 | 418 | 632 | 632 | 2,820 |
| Funds held on behalf of clients | 2,596 | - | - | - | 2,596 |
| Other payables | 215 | 11 | 291 | - | 517 |
| Accruals and deferred income | 14,256 | 1,596 | 2,476 | 64 | 18,392 |
| Income tax payable | 950 | - | - | - | 950 |
| Loans and borrowings | 1,491 | 328 | 4,578 | 2,028 | 8,425 |
| Deferred tax liability | 996 | - | - | - | 996 |
| Deferred consideration | - | 178 | - | - | 178 |
| Put and call option | 1,085 | - | - | - | 1,085 |
| | 26,052 | 2,632 | 8,088 | 2,724 | 39,496 |

| At 31 December 2024 | Less than 6 months £'000 | 6 months to 1 year £'000 | 1 to 5 years £'000 | 5 years £'000 | Total £'000 |
|---|---|---|---|---|---|
| Trade payables | 1,579 | 179 | 10 | - | 1,768 |
| Other taxation and social security | 618 | 1,376 | - | - | 1,994 |
| Funds held on behalf of clients | 761 | 1,151 | - | - | 1,912 |
| Other payables | - | 622 | - | - | 622 |
| Accruals and deferred income | 9,473 | 45 | 2 | - | 9,520 |
| Income tax payable | - | 493 | - | - | 493 |
| Loans and borrowings | 729 | 321 | 1,039 | 1,585 | 3,674 |
| Deferred tax liability | 96 | 96 | 721 | - | 913 |
| Put and call option | - | - | 846 | - | 846 |
| | 13,256 | 4,283 | 2,618 | 1,585 | 21,742 |

**Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates.

The Group is exposed to currency risk as the assets of its subsidiary are denominated in US Dollars. At 31 December 2025, the net foreign exchange liability was £2,622,703 (2024: £384,269). Differences that arise from the translation of these assets from US dollar to sterling are recognised in other comprehensive income in the year and the cumulative effect as a separate component in equity. The Group does not hedge this translation exposure to its equity.

A 5% weakening of sterling would result in an increase of £131,135 (2024: £19,213) in reported profits and equity, while a 5% strengthening of sterling would result in a decrease of £131,135 (2024: £19,213) in profits and equity.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate exposure arises mainly from its interest-bearing borrowings. As well as fixed interest borrowing, the group has contractual agreements under floating rates which expose the entity to cash flow risk. Interest rate risk also arises on the Group's cash and cash equivalents.

The carrying amounts of financial liabilities which expose the company to cash flow interest rate risk are as follows:

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Other loans (total borrowings less interest free loans) | **4,961** | 1,170 |

An increase in the rate of interest by 100 basis points would decrease profits by approximately £49,607 (2024: £11,700) with an increase in profits by the same amount for a decrease in the rate of interest by 100 basis points.

# Notes to the consolidated financial statements continued

**25. General risk management principles** continued

***Credit risk***

Credit risk is the risk of financial loss to the Group if an Artist or a counterparty to a financial instrument fails to meet its contractual obligations. The risk is limited due to the close working relationship with the artists and their financial representatives.

The maximum exposure to credit risk in respect of the above is the carrying value of financial assets recorded in the financial statements. At 31 December 2025, the Group has trade receivables of £7,423,495 (2024: £3,029,074).

The following table provides an analysis of trade receivables that were due at each financial year end. The Group believes that the balances, other than where already provided against, are ultimately recoverable based on a review of past impairment history and the current financial status of customers. The Directors are unaware of any factors affecting the recoverability of outstanding balances at 31 December 2025 and, consequently, no further provisions have been made for bad and doubtful debts.

The allowance for bad debts has been calculated using a 12-month lifetime expected credit loss model, as set out below, in accordance with IFRS 9.

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Current | **3,137** | 1,223 |
| 1 - 30 days | **1,857** | 1,090 |
| 31 - 60 days | **1,137** | 184 |
| 61 - 90 days | **202** | 532 |
| 91 + days | **1,091** | - |
| Less: provision for doubtful debts | **(15)** | (51) |
| Total trade receivables | **7,409** | 2,978 |

***Capital risk management***

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The Group reports in Sterling. All funding requirements and financial risks are managed based on policies and procedures adopted by the Board of Directors.

The Group manages its capital to ensure its ability to continue as a going concern and to maintain an optimal capital structure to reduce cost of capital. The capital structure of the Group comprises equity attributable to equity holders of the Company consisting of invested capital as disclosed in the Statement of Changes in Equity and cash and cash equivalents.

The Group's invested capital is made up of share capital, share premium, merger reserve, currency translation reserve, retained earnings and non-controlling interests as shown in the statement of changes in equity.

The Group maintains or adjusts its capital structure through the payment of dividends to shareholders and issue of new shares.

The company is not subject to any externally imposed capital requirements.

# Notes to the consolidated financial statements continued

## 26. Share capital

ATC Group Plc's issued and fully paid share capital is summarised in the table below:

| Ordinary shares of £0.01 (2024: £0.01) | Number | Nominal value £ |
|---|---|---|
| At 31 December 2024 | 16,541,467 | 165,414 |
| **At 31 December 2025** | **23,421,467** | **234,214** |

| | Number of shares No. | Share Capital £ |
|---|---|---|
| At 31 December 2023 | 14,102,935 | 141,029 |
| Shares issued on 12 February 2024 | 23,809 | 238 |
| Shares issued on 14 March 2024 | 2,232,905 | 22,329 |
| Shares issued on 10 July 2024 | 181,818 | 1,818 |
| **At 31 December 2024** | **16,541,467** | **165,414** |
| At 31 December 2024 | 16,541,467 | 165,414 |
| Shares issued on 18 December 2025 | 6,880,000 | 68,800 |
| **At 31 December 2025** | **23,421,467** | **234,214** |

The company has one class of ordinary shares. The ordinary shares have full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption or carry any right to fixed income.

On 18 December 2025 6,880,000 with a nominal value of £0.01 were issued for £1.25 per share.

## 27. Share-based payments

The fair value of shares issued under the CSOP scheme has been measured using the Black-Scholes model. The following table lists the key inputs to the model used in the year of grant.

| Granted in the year | 2025 | 2024 |
|---|---|---|
| Weighted- average exercise price | £1.05 | nil |
| Fair value | £0.14 | £0.14 |
| Share price at grant | *£1.00 - £1.05* | *£1.05* |
| Expected volatility | *29.70% - 31.59%* | *29.70% - 31.59%* |
| Expected life (years) | 3 | 3 |
| Risk-free interest rate | 3.63% - 4.17% | 3.63% - 4.17% |

In the year ended 31 December 2025 the Group recognised total expenses of £21,683 (2024: £40,504) in respect of equity-settled share-based payment awards under IFRS 2 Share-based Payment.

Details of the maximum number of ordinary shares which may be issued in future periods in respect of CSOP awards outstanding at 31 December 2025 are shown below:

| | CSOP Number of shares 2025 | CSOP Number of shares 2024 |
|---|---|---|
| At 1 January | 950,500 | - |
| Granted in the year | 325,500 | 1,016,500 |
| Forfeited in the year | (133,000) | (66,000) |
| **At 31 December** | **1,143,000** | **950,500** |

| Weighted average exercise price | **2025 £** | 2024 £ |
|---|---|---|
| At 1 January | £1.025 | - |
| Granted in the year | £1.021 | £1.05 |
| Forfeited in the year | £1.057 | £1.05 |
| **At 31 December** | **£1.055** | **£1.025** |

As at 31 December 2025, a total of £203,850 (2024: £150,425) of CSOP options have vested.

The options outstanding at 31 December 2025 have a weighted average contractual life of 7.44 years (2024: 8.26 years).

# Notes to the consolidated financial statements continued

## 28. Reserves

***Issued share capital***

Ordinary shares are classified as equity. The nominal value of shares is included in issued capital.

***Share premium***

The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.

**Merger reserve**

The merger reserve was created as a separate component of equity, representing the difference between the share capital of the Company at the date of the Group reorganisation in 2021 and that of the previous parent company of the Group.

***Share-based payment reserve***

The share-based payment reserve represents the total value expensed at the balance sheet date in relation to the fair value of the share options at their grant date expensed over the vesting period under the relevant share option schemes.

***Currency translation reserve***

The currency translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries.

**Retained earnings/(deficit)**

The retained earnings/(deficit) include all current and prior period results for the Group and the results of the Group's subsidiaries as determined by the income statement net of dividends paid.

**Non-controlling interests**

| Subsidiary | % of ownership held by NCI 2025 | % of ownership held by NCI 2024 | Profit/(loss) allocated to NCI for year 2025 £'000 | Profit/(loss) allocated to NCI for year 2024 £'000 | NCI balance sheet 2025 £'000 | NCI balance sheet 2024 £'000 |
|---|---|---|---|---|---|---|
| Sandbag Ltd | 40.00% | 40.00% | (34) | (107) | 847 | 891 |
| Joy Entertainment Group | 50.00% | 50.00% | (157) | 207 | 395 | 243 |
| Raw Power Management Ltd | 45.00% | 45.00% | 220 | 226 | 235 | 12 |
| ATC Live LLP | 10.00% | 10.00% | - | 129 | 248 | 248 |
| Easy Life Group | 25.00% | - | (75) | - | 53 | - |
| Other immaterial subsidiaries with NCI | - | - | 13 | (121) | (286) | (240) |
| | | | (33) | 334 | 1,492 | 1,154 |

## 29. Significant non-cash transactions

There were no significant non-cash financing activities during the year:

## 30. Related party transactions

Transactions with related parties for the year ended 31 December 2025

During the year, the Group paid rent for its office in Camden of £180,000 (2024: £150,000) to Pagham Investments Limited, a company in which close family members of two of the Directors, Craig Newman and Brian Message, have a significant interest. The Group also paid rent for its office in Los Angeles of £190,750 (2024: £196,316) to Craig Newman during the year.

During the year ended 31 December 2025, a profit share of £483,788 (2024: £663,499) was paid to Courtyard Music Management LLP and a further profit share of £960,000 has been accrued. Courtyard Music Management LLP is an entity in which Brian Message and Craig Newman are 25% members.

# Notes to the consolidated financial statements continued

**30. Related party transactions** continued

During the year the Group recharged overheads totalling £54,850 (2024: £93,542) to the following LLPs that the Group is a member of and has a significant interest in:

- ATC 9 LLP: £30,850 (2024: £88,564)
- ATC Live LLP: £24,000 (2024: £4,978)

In turn the group was recharged overheads totalling £151,727 (2024: £194,739) by the following LLPs that the Group is a member of and has a significant interest in:

- ATC 4 LLP: £nil (2024: £43,239)
- ATC 9 LLP: £46,727 (2024: £nil)
- ATC Live LLP: £105,000 (2024: £151,500)

During the year, the Group paid interest of £19,833 (2024: £21,085) to Pagham Investments Ltd.

Balances with related parties as at 31 December 2025

At 31 December 2025, the Group owed £750,000 (2024: £800,000) to Pagham Investments Limited, a company in which close family members of two of the Directors, Craig Newman and Brian Message, have a significant interest.

At 31 December 2025, the following represent the amount of members capital in LLPs attributable to the Group and shown in 'investments in associates and joint ventures':

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| ATC 4 LLP | **-** | - |
| ATC 9 LLP | **153** | 151 |
| Total | **153** | 151 |

**31. Summarised financial information for associates and joint ventures**

| Year ended 31 December 2025 | ATC 9 LLP £'000 | Driift Group* £'000 | Brighton Psych Fest £'000 | Company X £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Income Statement** | | | | | |
| Revenue | 162 | 21 | 60 | 124 | 367 |
| **Profit/(loss) for the year** | **49** | **(41)** | **7** | **(22)** | **(7)** |
| **Group's share of profit/(loss)** | **18** | **(14)** | **4** | **(10)** | **(2)** |
| **Assets** | | | | | |
| Current assets | 224 | - | 7 | 33 | 264 |
| **Total assets** | **224** | **-** | **7** | **33** | **264** |
| **Liabilities** | | | | | |
| Current liabilities | 194 | - | 8 | 13 | 215 |
| **Total liabilities** | **194** | **-** | **8** | **13** | **215** |
| **Net assets** | **30** | **-** | **(1)** | **20** | **49** |
| **Group's share of net assets** | **113** | **-** | **-** | **14** | **127** |

*On 7 February 2025, the Group obtained control of Driift Holdings Limited. From that date the entity has been accounted for as a subsidiary and fully consolidated in accordance with IFRS 10 – Consolidated Financial Statements.

Prior to obtaining control, the Group held a significant influence over Driift Holdings Limited, and the investment was accounted for as an associate under the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures. The Group's share of Driift Holdings Limited's results for the period 1 January 2025 to 6 February 2025 is therefore recognised in 'Share of profit of associates and joint ventures'.

From 7 February 2025, Driift Holdings Limited's revenue, expenses, assets and liabilities have been included in the consolidated financial statements on a line-by-line basis from the date control was obtained.

# Notes to the consolidated financial statements continued

**31. Summarised financial information for associates and joint ventures** continued

On 5 March 2025, the Group acquired an additional interest in Concorde 2, resulting in the Group obtaining control of the entity. Prior to this date, Concorde 2 was accounted for as an associate in accordance with IAS 28 - Investments in Associates and Joint Ventures and was included in the consolidated financial statements using the equity method.

Accordingly, the Group's share of Concorde 2's results for the period 1 January 2025 to 4 March 2025 is recognised in 'Share of profit of associates and joint ventures'.

From 5 March 2025, Concorde 2 has been consolidated on a line-by-line basis in accordance with IFRS 3 – Business Combinations and IFRS 10 - Consolidated Financial Statements, with its revenue, expenses, assets and liabilities included within the Group's consolidated financial statements from the date control was obtained.

| Year ended 31 December 2024 | ATC 4 LLP £'000 | ATC 9 LLP £'000 | Driift Group £'000 | Concorde 2 Limited £'000 | Apex Ltd* £'000 | Brighton Psych Fest £'000 | Company X £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|---|
| **Income Statement** | | | | | | | | |
| Revenue | - | 168 | 115 | 1,667 | 1,760 | 54 | 174 | 3,938 |
| **Profit/(loss) for the year** | **16** | **79** | **(1,063)** | **209** | **126** | **(8)** | **1** | **(640)** |
| Group's share of profit/(loss) before impairment | 16 | 37 | (346) | 38 | 51 | (4) | - | (208) |
| Less impairment | (16) | - | - | - | - | - | - | (16) |
| **Profit/(loss) for the year** | **-** | **37** | **(346)** | **38** | **51** | **(4)** | **-** | **(224)** |
| **Assets** | | | | | | | | |
| Non-current assets | - | - | 4 | 386 | - | - | 42 | 432 |
| Current assets | - | 225 | 1,276 | 252 | - | 4 | - | 1,757 |
| **Total assets** | **-** | **225** | **1,280** | **638** | **-** | **4** | **42** | **2,189** |
| **Liabilities** | | | | | | | | |
| Current liabilities | - | 137 | 848 | 280 | - | 12 | 6 | 1,283 |
| **Total liabilities** | **-** | **137** | **848** | **280** | **-** | **12** | **6** | **1,283** |
| **Net assets** | **-** | **88** | **432** | **358** | **-** | **(8)** | **36** | **906** |
| **Group's share of net assets** | - | 151 | 140 | 155 | - | - | 25 | 471 |
| Plus consolidation adjustment | - | - | - | - | - | - | - | - |
| **Group's share of net assets after adjustment** | **-** | **151** | **140** | **155** | **-** | **-** | **25** | **471** |

*On 6 February 2024, the Group acquired a non-controlling interest in Apex Festival Services Limited (previously known as JTR Productions Limited), which was initially accounted for as an associate using the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures.

On 1 July 2024, the Group obtained control of Apex Festival Services Limited, and from that date the entity has been accounted for as a subsidiary and fully consolidated in accordance with IFRS 10 – Consolidated Financial Statements.

Any revenue and profit generated by Apex Festival Services Limited during the period from 6 February 2024 to 30 June 2024 has been reflected in the Group's financial statements under 'Share of profit from associates and joint ventures', consistent with equity method accounting. From 1 July 2024 onwards, Apex Festival Services Limited's revenue, expenses, assets, and liabilities have been included on a line-by-line basis in the Group's consolidated financial statements.

# Notes to the consolidated financial statements continued

## 32. Events after the reporting date

### Post balance sheet events

### Share option grants

Subsequent to the reporting date, the Company granted 1,150,000 share options over ordinary shares to certain Directors, persons discharging managerial responsibilities and senior management.

The options were granted with an exercise price of 128.5 pence per share, being the closing mid-market price on 6 January 2026, and have a contractual life of ten years. The options vest over periods ranging from one to three years, depending on the terms of the relevant plan.

The options were granted under the Company's Company Share Option Plan and Unapproved Share Option Plan. In accordance with IFRS 2 - Share-based Payments, the fair value of the options will be recognised as an expense over the relevant vesting periods in future accounting periods. As the grants were made after the reporting date, no charge has been recognised in the financial statements for the year ended 31 December 2025.

Following these grants, the Company has 2,474,000 share options outstanding, representing approximately 10.56%. of the Company's issued share capital.

### UK office lease renewal – related party transaction

Subsequent to the reporting date, the Company entered into an agreement to renew the lease of its UK headquarters at The Hat Factory, 166–168 Camden Street, London NW1 9PT for a further ten-year term commencing 7 January 2026, at an annual rent of £180,000, plus buildings insurance. As the renewal is effective from 1 January 2025, it has been treated as an adjusting event under IAS 10 and recognised in the financial statements in accordance with IFRS 16 within right-of-use assets, with a corresponding lease liability.

The lease will give rise to a right-of-use asset and corresponding lease liability to be recognised in accordance with IFRS 16 - Leases in the financial period commencing after the reporting date.

The property is owned by a company beneficially owned by the spouses of two Executive Directors of the Company and, accordingly, the transaction constitutes a related party transaction under IAS 24 - Related Party Disclosures.

### Acquisition of Push Group

On 10 March 2026, the Group acquired the entire share capital of Push Group, a UK-based technology services business providing digital marketing, data analytics, fan engagement and ecommerce solutions to the music industry. Push Group consists of Push Media Ventures Limited, Push Entertainment Limited and Cirkay Limited. The acquisitions provide complementary technology and services capabilities within the ATC platform, consistent with the stated strategy of building a data-led, fully integrated artists services business. The total consideration for the Acquisition is approximately £1,050,000, of which approximately £315,000 will be satisfied in cash from the Group's existing cash resources and approximately £735,000 will be satisfied by way of the issue of the 506,897 Consideration Shares at an agreed price of 145 pence per new Ordinary Share.

# Company statement of financial position

**At 31 December 2025**

| | Note | **2025 £'000** | 2024 £'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Tangible assets | 4 | 6 | 4 |
| **Total non-current assets** | | **6** | 4 |
| **Current assets** | | | |
| Trade and other receivables | 5 | **191** | 64 |
| Amounts due from group undertakings | | **7,596** | 9,129 |
| Cash and cash equivalents | | **7,409** | 53 |
| **Total current assets** | | **15,196** | 9,246 |
| **Total assets** | | **15,202** | 9,250 |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Trade and other payables | 6 | **1,014** | 428 |
| | | **1,014** | 428 |
| **Non-current liabilities** | | | |
| Financial instrument – put and call option | 7 | **1,085** | 846 |
| Total non-current liabilities | | **1,085** | 846 |
| **Total liabilities** | | **2,099** | 1,274 |
| **Net assets** | | **13,103** | 7,976 |
| | | | |
| **Equity** | | | |
| Share capital | 8 | **234** | 165 |
| Share premium | | **18,331** | 10,261 |
| Share based payment reserve | | **62** | 41 |
| Retained deficit | | **(5,524)** | (2,491) |
| **Total equity** | | **13,103** | 7,976 |

**Company statement of comprehensive income**

As permitted by section 408 of the Companies Act 2006, the income statement and statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's result after taxation for the financial year was a loss of £2,794,058 (2024: loss of £709,753).

The financial statements on pages 90 to 94 were approved and authorised by the Board of Directors on 2 June 2026 and were signed on its behalf by:



**D Lovegrove**

***Company registration number: 13411674***

# Company statement of changes in equity

**At 31 December 2025**

| | Share capital £'000 | Share premium £'000 | Share-based payment reserve £'000 | Retained earnings £'000 | Total equity/ (deficit) £'000 |
|---|---|---|---|---|---|
| At 1 January 2024 | 141 | 7,810 | - | (2,167) | 5,784 |
| Issue of shares | 24 | 2,451 | - | - | 2,475 |
| Put and call option | - | - | - | 385 | 385 |
| Loss for the year | - | - | - | (709) | (709) |
| Share-based payment | - | - | 41 | - | 41 |
| **At 31 December 2024** | 165 | 10,261 | **41** | (2,491) | 7,976 |
| **At 1 January 2025** | 165 | 10,261 | 41 | (2,491) | 7,976 |
| Issue of shares | 69 | 8,531 | - | - | 8,600 |
| Share issue costs | - | (461) | - | - | (461) |
| Put and call option | - | - | - | (239) | (239) |
| Loss for the year | - | - | - | (2,794) | (2,794) |
| Share-based payment | - | - | 22 | - | 22 |
| Other movements | - | - | (1) | - | (1) |
| **Total transactions with equity owners** | 234 | 18,331 | 62 | (5,524) | 13,103 |
| **At 31 December 2025** | **234** | **18,331** | **62** | **(5,524)** | **13,103** |

# Notes to the company financial statements

## 1. Basis of preparation

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”).

In preparing these financial statements the Company has taken advantage of available disclosure exemptions available under FRS 102. Therefore, these financial statements do not include:

- Disclosures in respect of the Parent Company's income, expense, net gains and net losses on financial instruments measured at amortised cost, as equivalent disclosures have been provided in respect of the Group as a whole.
- Disclosures for the aggregate remuneration of the key management personnel of the parent company, as their remuneration is included in the totals for the Group as a whole.

In addition, and in accordance with FRS 102 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of ATC Music Group plc. These financial statements do not include certain disclosures in respect of:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41 (b), 11.41 (c), 11.41 (e), 11.41 (f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48{b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

In addition to the above, a Statement of cash flows has not been prepared as the company does not have a bank account and therefore there have been no cash movements in the year.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The areas where significant judgements and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

## 2. Accounting policies

***Financial instruments***

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

*Basic financial assets*

Basic financial assets, which comprise debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

*Basic financial liabilities*

Basic financial liabilities, including trade creditors and bank loans, loans from fellow Group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

# Notes to the company financial statements continued

***Foreign currency translation***

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

**3. Critical accounting estimates and judgements**

The preparation of financial statements under FRS 102 requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

*Amounts due from Group undertakings*

Amounts due from group undertakings are unsecured, interest-free, and repayable on demand. The Directors have assessed the recoverability of these balances at the reporting date.

In carrying out this assessment, the Directors considered the financial position and expected future cash flows of the relevant group undertakings, including current and forecast trading performance, access to funding, and the strategic importance of the intercompany arrangements.

Based on this review, the Directors believe that the amounts due from group undertakings are fully recoverable and no impairment is required.

**4. Tangible assets**

| | Total £'000 |
|---|---|
| **Cost** | |
| At 1 January 2025 | 6 |
| Additions | 5 |
| Disposals | (2) |
| **At 31 December 2025** | **9** |
| **Amortisation** | |
| At 1 January 2025 | 2 |
| Charge for period | 2 |
| Disposals | (1) |
| **At 31 December 2025** | **3** |
| **Net book value** | |
| At 31 December 2024 | 4 |
| **At 31 December 2025** | **6** |

**5. Trade and other receivables**

| | **2025 £'000** | 2024 £'000 |
|---|---|---|
| Trade receivables | **1** | 10 |
| Other receivables | **190** | 54 |
| Total trade and other receivables | **191** | 64 |

# Notes to the company financial statements continued

### 6. Trade and other payables

| | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Trade payables | **593** | 106 |
| Amounts owed to group undertakings and undertaking in which the company has a participating interest | **-** | 238 |
| Accruals and deferred income | **421** | 84 |
| Total trade and other payables | **1,014** | 428 |

### 7. Financial instruments

| Carrying amount of financial assets | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Financial assets measured at amortised cost | **7,787** | 9,193 |
| Financial assets at fair value through the profit and loss account | **7,409** | 53 |

| Carrying amount of financial liabilities | 2025 £'000 | 2024 £'000 |
|---|---|---|
| Financial liabilities at amortised cost | **1,015** | 428 |
| Financial liabilities at fair value through the profit and loss account | **1,085** | 846 |

### 8. Share capital

ATC Group Plc's issued and fully paid share capital is summarised in the table below:

| Ordinary shares of £0.01 (2024: £0.01) | Number | Nominal value £ |
|---|---|---|
| At 31 December 2024 | 16,541,467 | 165,414 |
| **At 31 December 2025** | **23,421,467** | **234,214** |

| | Number of shares No. | Share Capital £ |
|---|---|---|
| At 31 December 2023 | 14,102,935 | 141,029 |
| Shares issued on 12 February 2024 | 23,809 | 238 |
| Shares issued on 14 March 2024 | 2,232,905 | 22,329 |
| Shares issued on 10 July 2024 | 181,818 | 1,818 |
| **At 31 December 2024** | **16,541,467** | **165,414** |
| At 31 December 2024 | 16,541,467 | 165,414 |
| Shares issued on 18 December 2025 | 6,880,000 | 68,800 |
| **At 31 December 2025** | **23,421,467** | **234,214** |

The company has one class of ordinary shares. The ordinary shares have full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption or carry any right to fixed income.

On 18 December 2025 6,880,000 with a nominal value of £0.01 were issued for £1.25 per share.

### 9. Ultimate parent undertaking and controlling party

As at 31 December 2025, ATC Music Group plc did not have any one identifiable controlling party.

# Company Information

| | |
|---|---|
| **Directors** | Adam Driscoll<br>Brian Message<br>Craig Newman<br>Deborah Lovegrove<br>Emma Stoker<br>Andy Glover<br>Cliff Fluet |
| **Secretary** | Emma Stoker |
| **Company number** | 13411674 |
| **Registered office** | The Hat Factory<br>168 Camden Street<br>London<br>NW1 9PT |
| **Auditor** | Adler Shine LLP<br>Chartered Accountants<br>and Statutory Auditor<br>Aston House<br>Cornwall Avenue<br>London<br>N3 1LF |
| **AIM Nominated Adviser and Broker** | Allenby Capital Limited<br>5 St. Helen's Place<br>London<br>EC3A 6AB |