

PINEWOOD.AI

AUTOMOTIVE INTELLIGENCE

Pinewood Technologies Group PLC

Full year results for the 12 months to 31 December 2025

- **Strong strategic and operational progress across UK & International markets**
- **Good momentum in North America; system testing underway in US dealerships**
 - **Seez AI integration driving benefits across new and existing customers**

Pinewood Technologies Group PLC (“Pinewood.AI” or the “Group”, LSE: PINE), a leading cloud-based full-service technology provider to automotive retailers and OEMs, today announces its financial results for the 12 months ended 31 December 2025.

Group Financial Summary

£m, unless stated	12m period ended	11m period ended	% Change
	31 December 2025 (FY25)	31 December 2024 (FY24)	
Revenue	40.5	31.2	29.8%
Gross Profit	34.7	28.2	23.0%
Underlying EBITDA	16.4	14.0	17.1%
Underlying Profit Before Tax	8.8	8.5	3.5%
Underlying Operating Profit	8.3	8.4	(1.2)%
Cash at 31 December	34.1	9.3	266.7%

Financial Highlights

- Revenue up 29.8% to £40.5m (FY24: £31.2m), driven by contribution from Seez AI, new customers and cross-sell of products across the existing customer base
- Recurring revenue increased to £33.7m in FY25 (representing 83.2% of total revenue) (FY24: 86.5%)
- Gross Profit up 23.0% to £34.7m (FY24: £28.2m), with a gross profit margin of 85.7%
- Underlying EBITDA up 17.1% to £16.4m (FY24: £14.0m), with an underlying EBITDA margin of 40.5%
- Underlying Profit Before Tax of £8.8m up 3.5% (FY24: £8.5m)
- Cash of £34.1m up from £9.3m as at 31 December 2024, reflecting March 2025 equity raise and strong year of operating cash flows
- Total Contract Value (TCV) of £64.5m at end of 2025 - future incremental revenue from signed customer contracts

Operational Highlights

- Net customer churn remained very low at 2.5% for FY25, reflecting high levels of customer retention and the embedded nature of the platform within customers’ operations
- North American roll-out gaining momentum:
 - System testing underway at Lithia’s US dealers
 - Following successful completion of the system testing, Lithia will then start to adopt Pinewood.AI as its central platform across its US dealers

- Engagement with OEMs covering c.90% of Lithia’s North American dealers, with integration work already in progress with a significant number of key partners
- Pinewood.AI product team continuing to enhance system for North American customer specific needs
- The implementation of the Pinewood.AI platform across Lookers’ dealerships is progressing well and is due to finish in Q4 2026
- Integration of Seez AI products into the Pinewood Automotive Intelligence™ Platform at an advanced stage across both vehicle sales and aftersales modules of the system

Post-Period End Updates

- On 25 March 2026, it was announced that the rollout of the Pinewood.AI system into the Marshall Motor Group “Marshalls” dealerships would commence in the second half of 2026. Pinewood.AI and Marshalls had previously expected the rollout to commence in Q1 2026 and on the same date;
- Pinewood.AI announced it had agreed to acquire its final reseller, based in The Netherlands for £3.3m. The acquisition completed on 25 February 2026 and is expected to add approximately £0.7m to £0.8m of incremental annual EBITDA.

Outlook

- The Board remains confident in the Group’s prospects and expects underlying EBITDA for FY26 to be in line with market expectations¹
- The Board also reaffirms its expectation that the Group will achieve underlying EBITDA of £58-62m by FY28. This is underpinned by strong visibility from our existing signed contracts and a significant pipeline of opportunities, with c.85% of the projected EBITDA growth covered by signed contracts

¹ *Current consensus for FY26 Underlying EBITDA is £21.3m*

Bill Berman, Chief Executive Officer of Pinewood Technologies Group PLC, said:

“Our second year as a standalone technology company has delivered both strong financial performance and significant strategic progress. We have continued to successfully implement our system across Lookers’ dealerships in the UK, made good progress towards US deployment with a pilot programme now underway, and completed the transformative acquisition of Seez AI, whose integration with our rich data stack is at an advanced stage and already driving benefits for customers.

“We are confident in achieving our expectations for FY26 and in delivering our medium-term target of £58-62m underlying EBITDA by FY28, supported by high revenue visibility from existing contracts and a strong pipeline of new opportunities.”

Conference call and presentation

A presentation for sell-side analysts will be held at 9.00am (BST) today and this will be followed by a Q&A session with the management team. Please use the following link to register and to join the livestream of the presentation:

https://brrmedia.news/PINE_FY25

A webcast replay of the presentation will be made available on Pinewood.AI’s website later in the day. The webcast will be published on: <https://pinewood.ai/investors/results/>

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Chief Executive’s Review

2025 was the second year of Pinewood.AI being a standalone technology provider to automotive retailers and OEMs and I am proud of the huge progress we have made in this time. From the highly successful system rollout in the 42 ex-Jardine Motor Group dealers, signing major enterprise customers Marshalls and Lookers, our pivotal acquisition of Seez AI, an oversubscribed equity raise, deals with Porsche and Volkswagen in Japan and buying Lithia out of their share of the North American JV, it has been a momentous two years. We set out our strategy at our Capital Markets Day (CMD) in October 2024 and all of this activity represents positive progress against the strategic targets we declared.

The largest opportunity from a commercial viewpoint is in North America, with a total addressable market of over \$9 billion. We have made huge strides in the last 12 months on our North American development work and we have now engaged with the vast majority of OEMs that Lithia represents through its North American dealer network. Integration work is underway with a large number of these OEMs. Alongside this, our product teams have been carrying out extensive testing and development to optimise the Pinewood.AI platform for the North American market and this has enabled us to start our system testing in some of Lithia’s US dealers. The pilots are progressing extremely well and we are building significant momentum towards a full rollout across Lithia’s US dealers.

In July 2025 we reached an agreement with Lithia to acquire its majority stake in our Pinewood North America LLC joint venture, which was established at the time the original transaction that created Pinewood.AI. We saw the benefits of this decision in February 2026 with our first showing at the North American Dealer Association (NADA) conference in Las Vegas, which was a tremendous success. We had thousands of visits to our stand and a number of positive conversations with potential customers based not only in North America, but around the world.

One of the prevailing trends in the past year has been increased scrutiny on companies in the software industry in the face of continued advances in AI technologies, particularly those made by the largest 'general purpose' AI agents.

We are excited by the transformative potential that AI presents for our business and our customers. In March 2025, Pinewood.AI acquired Seez, the market-leading automotive AI company. Unlike competitors whose AI functionality relies solely on general-purpose Large Language Models (LLMs), Seez's approach uses advanced reasoning to actively drive our customers' businesses forward. Integration of the Seez AI functionality with the Pinewood.AI data stack has been a priority throughout 2025 and is now at an advanced stage, with cross-selling opportunities already converting across both the historic Pinewood.AI and Seez customer bases.

The quality and depth of our proprietary data, built up over 20+ years, underpins a competitive moat that general-purpose AI agents cannot easily replicate. Our OEM integrations are tailored to each country and manufacturer, requiring the kind of deep industry intelligence that comes only from years of collaborative development with dealers and OEMs. This is not a 'one size fits all' market, and that complexity is our advantage. We are not standing still: we continuously use these insights to evolve and improve our platform, ensuring Pinewood.AI remains the most capable and trusted solution in automotive retail technology.

The evolution of the Pinewood.AI platform continues at pace, with a number of other embedded features that can be offered to our customers. In particular, we are in a progressed stage with our Business Intelligence module, which has a number of Data & Analytics embedded dashboards. This continual evolution is one of the key reasons our customer retention is so high. The net customer churn in FY25 was just 2.5%.

Looking ahead, we are very confident in the positive long-term prospects for the Group. Pinewood.AI holds a leading position as a mission-critical, full-service, embedded technology provider to automotive retailers and OEMs. We benefit from high recurring revenues and long-standing OEM partnerships. This positions Pinewood.AI to remain at the forefront of technology innovation, ensuring that we provide best in class technology and secure solutions for our current and future customers.

Therefore, we are well-positioned to continue executing our strategy and the Board reaffirms its expectations that Pinewood.AI will achieve its medium-term FY28 guidance of underlying EBITDA of £58-62 million.

Bill Berman
Chief Executive
22 April 2026

Operating and Financial Review

£m	H1 FY25	H2 FY25	FY25	H1 FY24	H2 FY24 ²	FY24	Change %
Revenue	19.6	20.9	40.5	16.1	15.1	31.2	29.8%
Gross Profit	17.0	17.7	34.7	14.5	13.7	28.2	23.0%
<i>Gross margin rate</i>	86.7%	84.7%	85.7%	90.1%	90.7%	90.4%	(4.7%)
Underlying Administrative Expenses	(12.9)	(13.5)	(26.4)	(10.5)	(9.3)	(19.8)	33.3%
Underlying Operating Profit¹	4.1	4.2	8.3	4.0	4.4	8.4	(1.2%)
Net finance income	0.3	0.2	0.5	-	0.1	0.1	400.0%
Underlying Profit Before Tax	4.4	4.4	8.8	4.0	4.5	8.5	3.5%
Depreciation and Amortisation	3.8	4.3	8.1	2.9	2.7	5.6	44.6%
Underlying EBITDA¹	7.9	8.5	16.4	6.9	7.1	14.0	17.1%

¹ This is an Alternative Performance Measure (APM) – see note 6

² H2 FY24 was a five month period ending 31 December 2024

Note: FY25 is a 12 month period ended 31 December 2025 and FY24 is an 11 month period ended 31 December 2024.

Operating Review

Pinewood.AI is a leading cloud-based full-service technology provider to automotive retailers and OEMs in the UK and 35 other countries worldwide, with the majority of revenue being recurring.

The automotive system market for Franchised Motor Dealers is estimated to be worth at least £100 million in the UK. Two providers dominate the UK market, one of which is Pinewood.AI. The global automotive system market is highly fragmented with over 50 different providers within Europe alone. In North America, the market for what are called Dealer Management Systems (DMS) is \$2.4 billion. In addition, in North America, the market for complimentary add-on products such as CRMs and service tools is worth an additional \$4.1 billion and there is also a \$2.8 billion addressable market in systems for commercial vehicles, RVs, motorbikes and boats. All of this North American market is an opportunity for Pinewood.AI.

Pinewood.AI's unique approach to the market is characterised by:

- a single ecosystem which is deployed globally with continuous software updates;
- a cloud-based solution which is highly secure and feature-rich;
- a focus on strong manufacturer partnerships and supporting dealer profitability; and
- a commitment to using the latest technology to reshape motor retail.

Pinewood.AI's system is a market-leading automotive intelligence platform, which has been developed collaboratively with dealers and OEMs to provide secure software across sales, aftersales, accounting and CRM and has focused on developing recurring revenue streams. In FY25, 83.2% of Pinewood.AI's revenues were on a recurring basis. During FY25 there has been net customer churn of 2.5%. This low net churn reflects the 'stickiness' of the Pinewood.AI system.

In FY25, Pinewood.AI increased its investment in its systems with £13.6m of development expenditure of which £10.5m was capitalised (77% capitalisation rate). The main focuses for the development team during FY25 have been 'hyperscale' system development to ensure the system is ready for deployment in North America, working on North American integrations with OEMs and third party layered apps and ongoing investment in platform architecture and security.

Financial Review

£m, unless stated	12m period ended	11m period ended	% Change
	31 December 2025 (FY25)	31 December 2024 (FY24)	
Revenue	40.5	31.2	29.8%
Gross Profit	34.7	28.2	23.0%
Underlying EBITDA	16.4	14.0	17.1%
Underlying Profit Before Tax	8.8	8.5	3.5%
Underlying Operating Profit	8.3	8.4	(1.2%)
Operating (Loss) / Profit	(9.4)	4.3	(318.6%)
Profit Before Tax	49.7	8.2	506.1%
Cash as at 31 December	34.1	9.3	266.7%

Revenue increased by 29.8% to £40.5m in FY25 (from £31.2m in FY24) and gross profit increased to £34.7m in FY25 (from £28.2m in FY24). The revenue growth was due to a combination of FY24 being an 11 month period and FY25 being a 12 month period, the Seez acquisition in March 2025, revenue from new customers and revenue from upselling to our existing customer base. £33.7m of the FY25 revenue of £40.5m was recurring (83.2%). Underlying profit before tax increased from £8.5m in FY24 to £8.8m in FY25.

The decrease in the gross margin rate from 90.4% in FY24 to 85.7% in FY25 was due to the impact of the Seez acquisition, whose results were consolidated from the start of March 2025. The majority of our cost of sales are cloud hosting costs. We continue to use a series of measures to make our cloud hosting as efficient as possible, while maintaining optimum system performance.

Underlying administrative expenses in FY25 increased by £6.6m compared to FY24 to £26.4m. £2.6m of the increase related to increased software asset amortisation and increased depreciation charges, with the remainder primarily related to increased resource costs.

As a result of these movements, underlying operating profit in FY25 was £8.3m, a decrease of £0.1m from £8.4m in FY24 and underlying EBITDA was £16.4m, an increase of £2.4m from £14.0m in FY24.

There was a non-underlying profit before tax of £40.9m (FY24: £0.3m loss). This consisted of a £60.8m gain on the remeasurement of previously held equity interest in Pinewood North America, LLC with Lithia (FY24: nil), £1.6m loss from the group's share of the result from the 'joint venture', (FY24: £0.5m loss), one-off transaction related costs of £5.9m (FY24: £3.1m), share based payment costs of £3.6m (FY24: £1.0m), amortisation of acquisition related intangibles of £4.0m (FY24: £nil), finance income of £0.2m (FY24: £4.3m income), a £4.2m loss from the subsidiary, Pinewood North America, LLC, since Lithia's share was bought in July 2025 (FY24: £nil) and losses on financial instruments of £0.8m (FY24: £nil).

Group net assets were £204.2m at 31 December 2025 (31-Dec-2024: £39.0m), with the main balances being £51.5m of goodwill (31-Dec-2024: £0.3m), a £161.7m other intangibles balance (31-Dec-2024: £16.3m), £34.1m of cash (31-Dec-2024: £9.3m) and £7.5m of deferred income (31-Dec-2024: £7.6m).

The operating loss of £9.4m (FY24: £4.3m profit) was made up of the underlying operating profit of £8.3m and the non-underlying operating loss of £17.7m. The profit before tax of £49.7m (FY24: £8.2m profit) was a result of the underlying profit before tax of £8.8m and the non-underlying profit before tax of £40.9m.

Cash at the start of FY25 was £9.3m and the main movements to arrive at the £34.1m at the end of FY25 were £34.1m of proceeds from the equity fundraise in March 2025, £26.5m paid relating to the Seez acquisition in March 2025 and £10.0m collected from Lithia relating to a tax debtor.

**CONSOLIDATED INCOME STATEMENT
FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2025**

	12m period ended 31 December 2025 Underlying FY25	12m period ended 31 December 2025 Non- underlying FY25	12m period ended 31 December 2025 Total FY25	11m period ended 31 December 2024 Underlying FY24	11m period ended 31 December 2024 Non- underlying FY24	11m period ended 31 December 2024 Total FY24
Note	£m	£m	£m	£m	£m	£m
Revenue	40.5	-	40.5	31.2	-	31.2
Cost of sales	(5.8)	-	5.8	(3.0)	-	(3.0)
Gross profit	34.7	-	34.7	28.2	-	28.2
Administrative expenses	(26.4)	(17.7)	(44.1)	(19.8)	(4.1)	(23.9)
EBITDA	16.4	(13.7)	2.7	14.0	(4.1)	9.9
Depreciation	(1.1)	-	(1.1)	(0.6)	-	(0.6)
Amortisation	(7.0)	(4.0)	(11.0)	(5.0)	-	(5.0)
Operating profit / (loss)	8.3	(17.7)	(9.4)	8.4	(4.1)	4.3
Finance expense	(0.3)	-	(0.3)	(0.3)	-	(0.3)
Finance income	0.8	0.2	1.0	0.4	4.3	4.7
Gain on remeasurement of previously held equity interest	-	60.8	60.8	-	-	-
Share of loss in associate	-	(1.6)	(1.6)	-	(0.5)	(0.5)
Net fair value losses on financial instruments	-	(0.8)	(0.8)	-	-	-
Profit / (loss) before taxation	8.8	40.9	49.7	8.5	(0.3)	8.2
Income tax expense	(3.1)	3.7	0.6	(2.1)	(0.4)	(2.5)
Profit / (loss) for the year / period	5.7	44.6	50.3	6.4	(0.7)	5.7
Earnings per share						
Basic earnings per share	2		48.0p			5.1p
Diluted earnings per share	2		48.0p			5.1p

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2025**

	12m period ended 31 Dec 2025 £m	11m period ended 31 Dec 2024 £m
Profit for the period	50.3	5.7
Other comprehensive income/(expense)		
Items that are or may be reclassified to profit and loss:		
Foreign currency translation differences of foreign operations	(0.7)	0.1
Other comprehensive income for the period, net of tax	(0.7)	0.1
Total comprehensive income for the period	49.6	5.8

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2025**

	Share capital £m	Share premium £m	Other reserves £m	Translation reserve £m	Retained earnings £m	Total £m
Balance at 1 February 2024	73.2	56.8	5.6	0.4	224.4	360.4
Total comprehensive income for the period						
Profit for the period	-	-	-	-	5.7	5.7
Other comprehensive expense for the period, net of tax	-	-	-	0.1	-	0.1
Total comprehensive income for the period	-	-	-	0.1	5.7	5.8
Issue of ordinary shares	13.9	16.1	-	-	-	30.0
Share based payments	-	-	-	-	1.0	1.0
Income tax relating to share based payments	-	-	-	-	0.2	0.2
Dividends paid	-	-	-	-	(358.4)	(358.4)
Balance at 31 December 2024	87.1	72.9	5.6	0.5	(127.1)	39.0
Balance at 1 January 2025	87.1	72.9	5.6	0.5	(127.1)	39.0
Total comprehensive income for the period						
Profit for the period	-	-	-	-	50.3	50.3
Other comprehensive income for the period, net of tax	-	-	-	(0.7)	-	(0.7)
Total comprehensive income for the period	-	-	-	(0.7)	50.3	49.6
Issue of ordinary shares	28.0	22.8	61.0	-	-	111.8
Share based payments	-	-	-	-	3.6	3.6
Income tax relating to share based payments	-	-	-	-	0.2	0.2
Balance at 31 December 2025	115.1	95.7	66.6	(0.2)	(73.0)	204.2

**CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2025**

	Note	31 Dec 2025 £m	31 Dec 2024 £m
Non-current assets			
Property, plant and equipment		2.3	1.7
Goodwill		51.5	0.3
Other intangible assets		161.7	16.3
Contract assets		6.3	-
Investment in associate		-	9.6
Other investments		-	3.2
Total non-current assets		221.8	31.1
Current assets			
Trade and other receivables		10.3	21.4
Contract assets		0.8	-
Cash and cash equivalents	3	34.1	9.3
Total current assets		45.2	30.7
Total assets		267.0	61.8
Current liabilities			
Lease liabilities	4	(0.7)	(0.7)
Trade and other payables		(10.7)	(11.0)
Deferred income		(7.5)	(7.6)
Current tax payable		(0.2)	(0.1)
Total current liabilities		(19.1)	(19.4)
Non-current liabilities			
Interest bearing loans and borrowings	4	(0.2)	(0.2)
Lease liabilities	4	(0.6)	(0.7)
Other liabilities		(7.9)	-
Deferred tax liabilities		(35.0)	(2.5)
Total non-current liabilities		(43.7)	(3.4)
Total liabilities		(62.8)	(22.8)
Net assets		204.2	39.0
Capital and reserves			
Called up share capital		115.1	87.1
Share premium account		95.7	72.9
Other reserves		66.6	5.6
Translation reserve		(0.2)	0.5
Retained earnings		(73.0)	(127.1)
Total equity attributable to equity shareholders of the Company		204.2	39.0

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE 12 MONTH PERIOD ENDED 31 DECEMBER 2025**

	Note	12m period ended 31 Dec 2025 £m	11m period ended 31 Dec 2024 £m
Cash flows from operating activities			
Profit for the period		50.3	5.7
Adjustment for taxation		(0.6)	2.5
Gain on remeasurement of previously held equity interest		(60.8)	-
Share of result of associate		1.6	0.5
Net fair value losses on financial instruments		0.8	-
Adjustment for net financing expense		(0.7)	(4.4)
		(9.4)	4.3
Depreciation and amortisation		12.1	5.6
Share based payments		3.6	1.0
Changes in trade and other receivables		0.3	(4.7)
Changes in trade and other payables		(0.1)	(1.3)
Cash generated from operations		6.5	4.9
Net taxation paid		(0.6)	(0.1)
Bank interest paid		(0.1)	(0.1)
Bank interest received		1.1	4.5
Lease interest paid		(0.1)	(0.1)
Net cash from operating activities		6.8	9.1
Cash flows from investing activities			
Proceeds from sale of business & settlement of previous intra-group net of fees paid		10.0	395.4
Purchase of property, plant, equipment and intangible assets		(11.4)	(7.5)
Acquisition of subsidiaries, net of cash acquired		(10.7)	-
Acquisition of resellers		(2.8)	-
Investment in associate		-	(10.0)
Other investments		-	(3.2)
Net cash from/used in investing activities		(14.9)	374.7
Cash flows from financing activities			
Proceeds from issue of share capital		35.7	30.0
Cost of issuing share capital		(1.6)	-
Payment of lease liabilities		(1.2)	(0.5)
Repayment of loans		-	(93.0)
Payment of dividend		-	(358.4)
Net cash outflow from financing activities		32.9	(421.9)
Net (decrease)/increase in cash and cash equivalents		24.8	(38.1)
Cash and cash equivalents at start of period		9.3	47.4
Cash and cash equivalents at period end	3	34.1	9.3

NOTES

1. Basis of Preparation

Pinewood Technologies Group PLC (the 'Group') is domiciled in England. The address of the Group's registered office is 2960 Trident Court, Solihull Parkway, Birmingham Business Park, Birmingham. B37 7YN . These condensed consolidated financial statements of the Group as at and for the period ended 31 December 2025 consist of the consolidation of the financial statements of the Group and its subsidiaries and the Group's interest in jointly controlled and associated entities.

These condensed consolidated financial statements have been prepared in accordance with UK adopted International Accounting Standards (IAS). They do not include all the information required for full annual statements and should be read in conjunction with the FY25 Annual Report.

The Board of Directors approved the condensed consolidated financial statements on 22 April 2026. They are not statutory accounts within the meaning of section 435 of the Companies Act 2006.

The Group's financial statements for the period ended 31 December 2025 were approved by the Board on 22 April 2026. They have been reported on by the Group's auditors and will be delivered to the registrar of companies in due course. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

The comparative figures for the financial period ended 31 December 2024 have been extracted from the statutory accounts for that financial year. Those accounts have been reported on by the Group's auditor. The report of the auditor (i) was unqualified and (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

Going concern

The Directors are, at the time of approving the financial statements, satisfied that the Group has adequate resources to continue in operational existence for a period of at least 12 months from approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Group meets its day-to-day working capital requirements from operating in a net cash position and being a cash generative business. The Group is forecasting a cash inflow of £1.8m in FY26. The Group also has access to a £10m RCF, which expires in February 2027 and the Group is in the process of renewing, although it is not forecast to be required due the Group's year end cash and cash equivalents position of £34.1m and net current assets of £26.1m.

In the context of the above, the directors have prepared cash flow forecasts for the period to 31 December 2027 which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds to meet its liabilities as they fall due for that period.

The Directors have modelled scenarios as follows:

1. A base cash flow forecast. The 2026 figures in this forecast are based on the Group's FY26 budget, which reflect current run-rates and expected strategic improvements. The 2027 figures in the base cash flow forecast are based on the 2026 budget.
2. A severe, but plausible downside scenario. The directors have also prepared a sensitised forecast which considers the impact of a 10% reduction in revenue when compared to the base case.

The Directors are mindful of the potential impacts to macro-economic conditions but after assessing the risks do not believe there to be a material risk to going concern.

Based on the above, the directors are confident that the Group and Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements, and therefore the directors believe it remains appropriate to prepare the financial statements on a going concern basis.

Adoption of new and revised standards

The Group has adopted the following new or amended standards. There are no material impacts of these new or revised standards on the consolidated financial statements for the year ended 31 December 2025

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.
- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments - effective date 1 January 2026.
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures.

IFRS 18 was issued in April 2024 and is effective for periods beginning on or after 1 January 2027. Early application is permitted and comparatives will require restatement. The standard will replace IAS 1 Presentation of Financial Statements and although it will not change how items are recognised and measured, the standard brings a focus on the income statement and reporting of financial performance. Specifically, it classifies income and expenses into five new defined categories – operating, investing, financing, income tax and discontinued operations and two new subtotals operating profit and loss and profit or loss before financing and income tax. In addition, IFRS 18 introduces disclosures of management defined performance measures (MPMs) and enhances general requirements on aggregation and disaggregation. The impact of the standard on the Group is currently being assessed and it is not yet practicable to quantify the effect of IFRS 18 on these consolidated financial statements, however there is no impact on presentation for the Group in the current year given the effective date – this will be applicable for the Group's 2027 Financial Statements.

2. Earnings per share calculation

	12 month period ended 31 Dec 2025	12 month period ended 31 Dec 2025	11 month period ended 31 Dec 2024	11 month period ended 31 Dec 2024
Earnings per share calculation	Earnings per share Pence	Earnings total £m	Earnings per share Pence	Earnings total £m
Basic earnings per share	48.0	50.3	5.1	5.7
Diluted earnings per share	48.0	50.3	5.1	5.7

The calculation of basic, adjusted and diluted earnings per share is based on the following number of shares in issue (millions):

	12 month period ended 31 Dec 2025 Number	11 month period ended 31 Dec 2024 Number
Weighted average number of ordinary shares in issue	104.7	111.4
Weighted average number of dilutive shares under option	0.2	-
Weighted average number of shares in issue taking account of applicable outstanding share options	104.9	111.4
Non-dilutive shares under option	10.5	2.5

3. Cash and cash equivalents

	Carrying value & fair value 31 Dec 2025 £m	Carrying value & fair value 31 Dec 2024 £m
Bank balances and cash equivalents	34.1	9.3
Cash and cash equivalents in the Balance Sheet	34.1	9.3
Cash and cash equivalents in the statement of cash flows	34.1	9.3

4. Summary of borrowings

	Carrying value 31 Dec 2025 £m	Fair value 31 Dec 2025 £m	Carrying value 31 Dec 2024 £m	Fair value 31 Dec 2024 £m
Non-current:				
Other loan notes	0.2	0.2	0.2	0.2
Lease liabilities	0.6	0.6	0.7	0.7
Total non-current	0.8	0.8	0.9	0.9
Lease liabilities	0.7	0.7	0.7	0.7
Total current	0.7	0.7	0.7	0.7
Total borrowings	1.5	1.5	1.6	1.6

5. Non-underlying Items

Non-underlying items are items that in management's judgement need to be disclosed separately by virtue of their size, nature or frequency to aid understanding of the performance for the year or comparability between periods.

	12m period ended 31 Dec 2025 £m	11m period ended 31 Dec 2024 £m
Within administrative expenses		
Amortisation of Intangibles arising on acquisition	(4.0)	-
Restructure and transition costs including transaction fees, following FY25 acquisitions	(4.6)	-
Administrative expenses in Pinewood North America, LLC as subsidiary	(4.2)	-
Share based payments	(3.6)	(1.0)
Restructuring and transition costs following the sale of the UK Motor and Leasing businesses to Lithia UK Holding Ltd	(1.3)	(2.2)
Transaction costs relating to the sale of the UK Motor and Leasing businesses to Lithia UK Holding Limited	-	(0.9)
	(17.7)	(4.1)
Other items		
Gain on remeasurement of previously held equity interest	60.8	-
Finance income in pinewood North America, LLC as subsidiary	0.2	-
Interest arising on cash proceeds from the sale of the UK Motor and Leasing businesses to Lithia UK Holding Limited prior to the payment of the dividend	-	4.3
Group share of result of Pinewood North America, LLC as associate	(1.6)	(0.5)
Net fair value of losses on financial instruments	(0.8)	-
Total non-underlying items before tax	40.9	(0.3)
Non-underlying items in tax	3.7	(0.4)
Non-underlying items after tax	44.6	(0.7)

All items stated above are significant in size or nature and not considered part of the Group's normal, recurring operating activities for the reasons as follows:

- Amortisation of acquired intangible assets arises from acquisition accounting and does not reflect the Group's underlying trading performance.
- Restructure and transition costs, including transaction fees, following FY25 acquisitions relate to integration and restructuring activities following recent acquisitions and are not expected to recur as part of normal operations.
- Administrative expenses and Finance income in Pinewood North America, LLC as subsidiary relate to a subsidiary that has not yet reached operational scale and are therefore not considered representative of the Group's underlying cost/income base.
- Share-based payment charges are non-cash expenses arising from equity incentive arrangements rather than underlying operating activities.
- Restructuring and transition costs directly incurred as the result of the sale of the Group's motor retail and leasing businesses to Lithia UK Holding Limited on 31/01/2024, therefore not part of the Group's ongoing operations.
- Gain on remeasurement of previously held equity interest is a one-off accounting adjustment.
- Group share of result of Pinewood North America, LLC as associate relates to the period when the investment was accounted for as an associate prior to becoming a consolidated subsidiary.
- Net fair value losses on financial instruments reflect market-driven valuation changes rather than underlying trading performance.

The Group share of the result from Pinewood North America, LLC, is treated as a non-underlying item. The income and costs in Pinewood North America, LLC, represent the phase of launching the Group's system into the North American DMS market. The North American DMS market is c.20,000 franchised dealerships. Once the Group achieves a market share of 0.1% or 20 dealers, with the Pinewood system fully implemented in these dealers, the Pinewood share of Pinewood North America, LLC, will be treated as underlying. Until this point, any share of income and expenditure will be the non-recurring entry phase to the North American market and shown as non-underlying.

The revenue arising from the sale of software development services to Pinewood North America LLC has been shown as part of the underlying business as it has arisen from Pinewood's core operating activities, which are the development and sale of software.

6. Alternative performance measures

The Group uses a number of key performance measures ('KPI's') which are non-IFRS measures to monitor the performance of its operations. The Group believes these KPIs provide useful historical financial information to help investors and other stakeholders evaluate the performance of the business and are measures commonly used by certain investors for evaluating the performance of the Group. The Group will the following KPIs on a consistent basis and they are defined and reconciled as follows:

Gross Margin % defined as gross profit as a percentage of revenue. This measure is calculated above.

Underlying EBITDA defined as earnings before interest, taxation, depreciation and amortisation, adjusted to exclude non-underlying items which in management's judgement needs to be disclosed separately by virtue of their size, nature or frequency to aid understanding of the performance for the year or comparability between periods. This measure is reconciled above.

Underlying EBITDA margin % defined as EBITDA as a percentage of revenue, adjusted to exclude non-underlying items, as defined above.

Underlying operating profit / profit before tax – results on an underlying basis exclude items which in management's judgement are non-underlying in nature, as defined above. The non-underlying results are shown separately on the face of the consolidated income statement to reconcile from the underlying to total results. The details of the non-underlying items including their tax impact are shown in note 5.

7. Post balance sheet events

On 30 December 2025 the Group entered into a new lease agreement for a commercial property located on the Blythe Valley Business Park, Birmingham, UK. The lease has a term of 10 years, with a 5 year break which the Group does not expect to exercise. The commencement date of the lease is 1 January 2026 as a result the Group expects to recognise a lease liability of approximately £2.8m and a corresponding right-of-use asset plus direct costs of approximately £0.1m on 1 January 2026.

On 26 February 2026 the Group acquired Grayhams B.V., which was previously the exclusive reseller of the Group's services and products in the Netherlands, for a total cash consideration of £3.3m payable on completion. The acquisition is aligned with Pinewood.AI's strategy to fully control its international sales and customer service functions, and it will support the Group's growth ambitions in the Central European market. The initial accounting for the business combination is incomplete and as such no disclosures have been included in respect of the fair value of assets acquired and allocation of the purchase price.