
CAFEDIRECT PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

CAFEDIRECT PLC

COMPANY INFORMATION

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Hendrik Baron de Kock
Silvia Herrera Hernandez
John Steel
Monica Middleton
Robert Humphreys
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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025**

The directors present the strategic report for Cafedirect PLC ("the company") together with its subsidiaries (collectively known as "the group") for the year ended 31 December 2025.

Business review and future developments

The group's turnover for the year ended 31 December 2025 was £25.7m, a 1% decline v 2024, reflecting the exit of a large number of non-coffee items impacting on overall revenue. Coffee revenue was in 4% growth.

In 2025 the integration of the two businesses was completed. Also Cafédirect Group successfully navigated unprecedented levels of coffee price volatility and inflation.

Cafédirect Group is a distinct purpose-led, multistakeholder business with a unique operating model, incorporating its direct procurement model, multiple brands and channels and its own high scale manufacturing operation in Meltham, Yorkshire.

2025 was a milestone year as Cafédirect Group reached profitability for the full year and is ready to optimise the high scale, high impact, potential that has been created.

Overall, 2025 revenue of £25.7m at -1% v 2024 was delivered by £24.6m coffee revenue at +4% v 2024 and exiting £2.0m of non-coffee revenue.

2025's performance was heavily influenced by unprecedented levels of volatility in coffee prices and the required steps to successfully navigate these conditions. During the year significant steps were taken to deliver a successful result:

- Robust cash management to counter the dramatic increase in working capital requirements from the increase in coffee price.
- Excellent work with partners to pass on price increases appropriately and to time.
- Operational cost management and reduction including headcount reduction and controlling expenditure across the business.
- Further simplification including exiting all non-coffee products to improve margins, focus and efficiency.

These changes made a highly significant difference to the group's performance. Simplification meant that despite the very high increase in coffee cost, overall cost of sales fell by £1.1m to £19.7m, with improvements in logistics, labour and trade marketing all contributing significantly. The simplifications along with price increases and product mix management resulted in gross profit increasing by £0.8m from £5.2m in 2024 to £6.0m in 2025. Thirdly operational cost management resulted in overall operating costs reducing by £0.5m from £6.3m in 2024 to £5.8m in 2025.

The trading operating profit in 2025 was £0.2m (2024 loss: £1.1m), an exceptional £1.3m improvement.

Cafédirect continues to support the lives and wellbeing of producer growers, through Fairtrade premiums, Organic premiums and via donations to its farmer led charitable organisation - Producers Direct; significant sums that deliver real impact.

Cafédirect continued to pursue its commitments via its sustainability framework, our Manifesto for the Future of Coffee.

Looking ahead to 2026, the directors are confident that 2026 revenues will exceed £26m, trading profit will be maintained, whilst investing in business growth and capability, delivering upon the business's powerful purpose and its commitment to all its stakeholders.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

The consumer market remains challenging, with inflation and uncertainty driven by the on-going war in Ukraine and post the trading period further instability in the Middle East.

The directors note although the coffee market remains volatile, prices are showing some signs of stabilising around the \$3 per lb. The directors are satisfied that the management team's actions in 2025 and plans in 2026 mean that all steps are being taken to keep the business secure during 2026 and for the foreseeable future.

Total stock at the year-end was £3.0m (2024: £2.6m) due to higher stock value, offset to some extent by holding lower volume of stock; trade debtors were £3.2m (2024 £3.3m) and trade creditors were £3.8m (2024: £3.4m).

Cash balances at year-end of £0.2m (2024: £0.3m). Consistent with its principles of social responsibility, it is a matter of policy that supplier liabilities are paid on time. During 2025, the directors recognise the support of supplier partners, along with other key stakeholders including producers and employees working tirelessly in the best interests of the business.

The group's year-end balance sheet showed positive net assets of £0.8m (2024: £0.7m).

Our manifesto for the future of coffee

In 2025, Cafédirect's manifesto and campaign tool to encourage great adoption of sustainable practices, notably the adoption of the living income reference price model, by peers in the coffee value chain.

The 2025 Progress Report will highlight our achievements including:

- Helping growers comply with the new EU Deforestation Regulation, making sure they can sell their coffee to the EU.
- Relaunching the Grumpy Mule brand as 100% Fairtrade and fully recyclable packaging.
- Completing the Greenhouse Gas (GHG) footprint for the enlarged business and building our transition plan in line with our science based targets.
- Recognising Cafédirect as the highest selling Fairtrade coffee brand in the UK.

The Progress Report and Our Manifesto for the Future of Coffee will be presented to shareholders at Cafédirect's Annual General Meeting during June 2026.

Principal risks and uncertainties

The group seeks to mitigate exposure to all forms of risk, both internal and external, where practicable, and to transfer risk to insurers, where cost-effective. This approach is governed by the company's Manifesto which includes the statement that Cafédirect will "work directly with smallholder growers through long-term partnerships which seek to reduce the disproportionately high risks they face in the global market". The directors consider that the principal risks facing the company are as follows:

- The group buys raw material coffee from small and disadvantaged growers, often located in remote and under-developed regions of the world. The market prices of these commodities are quoted on international commodity exchanges and have been highly volatile since 2020 and continue to be so. Any increases or volatility in prices or shortages in supply can materially affect the company's performance. New EU regulations surrounding deforestation are placing further pressure on the coffee market with the Growers required to evidence that their activities have not been the cause of deforestation. The regulations can be onerous for them and for companies like Cafédirect who import coffee. Ultimately, coffee found to be improperly certified may have to be surrendered at port leading to significant risks around supply and cost. Cafédirect is working very hard to mitigate the heightened level of risk by keeping customers apprised of the position and increasing prices as appropriate; also by investing in resource to support growing communities in their compliance efforts including funding resources at origin via Producers Direct.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

- The company outsources some of its processing and packing of its products to third party suppliers. Any issues that these suppliers encounter could disrupt supply and affect the company's performance. To mitigate this risk the company carefully maintains long-term partnerships with companies like Bewley's in Ireland with whom Cafédirect has been trading with for twenty years, in addition to standard measures like business interruption insurance, ensuring that suppliers have contingency plans in place and identifying alternative supply options including manufacture of products at its newly acquired production facility in Meltham, Yorkshire.
- The company is exposed to currency movements in that it buys most of its raw materials in US dollars, pays for the manufacture of a significant proportion of its finished coffee products in Euros and sells most of its finished products in Pounds Sterling. The company uses foreign exchange forward contracts to mitigate this risk as set out in note 18 to the accounts; At 31 December 2025, a proportion of the company's future currency requirements were covered by such contracts.
- A significant proportion of the company's revenues were derived from the UK supermarkets and an out-of-home distributor, and therefore inevitably came from a relatively small number of customers. The company has and will continue to mitigate this risk by developing sales in other sectors, such as out-of-home wholesalers and international (reference Cafédirect's acquisition of Bewley's UK business which is an out-of-home supplier), and ensuring that it invests in developing brand awareness and strong consumer demand.
- Competitive pricing and discounting in the hot beverages market can impact the company's sales volumes and market share. To mitigate this risk the company continually reviews its overall competitiveness in the market, incurs appropriate levels of promotional spend and focuses on promoting the distinctive elements of its brand.
- Cafédirect operates within working capital constraints which can be exacerbated by the seasonal nature of coffee harvests and the regulatory and economic environment. This necessitates both a commitment to purchase and investment of working capital in raw material stocks well in advance of sales. The company mitigates this risk by forward planning of coffee purchases; ensuring a strong focus on cash management; forecasting accuracy, maintaining borrowing facilities secured against raw material stock at peak times of the year, deferring stock delivery in partnership with its key brokers as necessary, and ensuring that business plans establish a sustainable cash position for the future.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Key performance indicators

The company's key financial performance indicators, which are closely monitored throughout the year and measured against pre-set targets, include:

- Sales values, analysed by product group, customer and key sectors such as UK retail, UK out-of-home and international.
- Gross profit, both in absolute terms and as a percentage of sales.
- The level of administration expenses, looking at the ongoing UK business separately from other costs.
- Operating profit and profit before tax.
- The level of working capital employed, both in absolute terms and as a percentage of sales.
- Cash generated by the business.

The company's performance in 2025 against most of these indicators is set out in the Business Review section.

In addition, the company has a number of other key performance indicators, with the company's performance against these indicators sometimes being called the company's "social return". These include:

- The amounts paid by Cafédirect for its coffee raw materials over and above market prices. These amounts include, but are not necessarily restricted to Fairtrade premiums.
- The amount donated to Producers Direct – the charity that it founded.
- The volume of coffee, tea and cocoa raw materials purchased from growers

Performance in 2025 against these indicators is set out in the 'Benefits to Growers' section below.

Benefits to growers

The Fairtrade system works with farmers and workers to improve their lives, support their communities, and minimise harm to their environment. In 2025, Cafédirect Group purchases included £0.6m (2024: £0.6m) in Fairtrade Premiums for producers. Additional money is also paid for organic coffee because of its lower yield. Organic Differentials in 2025 amounted to £0.8m (2024: £0.5m).

Cafédirect invests in farmers through its sister charity, Producers Direct. It's farmer-led and works alongside farmers to support them where it's needed most. Farmers find keeping their knowledge up-to-date and learning new skills takes time and money that they don't have. Producers Direct makes sure they can get the knowledge they need to grow their businesses, protect their farms against climate change and make their work sustainable – whether that takes training in micro finance, technology, sustainable agriculture, or new markets. Growers get to share their knowledge and experience with each other, through training centres in Latin America and East Africa. In 2025, Cafédirect donated £0.1m (2024: £0.1m) to Producers Direct. This funding supports their operating costs, so that they can raise funds elsewhere.

Cafédirect's Articles of Association determine that one third of its profits shall be allocated to strengthening smallholder grower organisations in developing countries. This sum has been exclusively donated to Producers Direct since its formation. The formula has been modified since 2010 due to Cafédirect sustaining financial losses, to ensure that the base operating costs of Producers Direct were funded. It is planned to continue to do so whilst Cafédirect's profitability is at such a level that the resultant donation arising from the formula would not provide adequate funding to meet the basic operational needs of Producers Direct. The directors of Cafédirect are pleased to note that in 2025 the commitment in the Articles of Association was met for the first time since modification 15 years ago.

The above actions and commitments contribute to the achievement of the company's Manifesto. Raw material purchases from grower organisations in Latin America, Africa and Asia in 2025 were 2,114 (2024: 1,493) tonnes of coffee beans.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Section 172 statement

This section serves as Cafédirect plc's section 172 statement and should be read in conjunction with the contents elsewhere in this strategic report. Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making.

The directors continue to act with regard to the long-term interests of the company's employees and other stakeholders, including the impact of its activities on the community and the environment. Cafédirect embraces its responsibilities diligently and with great care and regards this as being central to what it defines as "success". The directors are guided in all of their decision making by the company's Manifesto and Cafédirect's status as a social enterprise and certified B-Corporation, and in respecting Cafédirect's culture and reputation for upholding the highest standards of business conduct.

The directors also recognise the importance of respecting commercial necessities and sound practices - safeguarding the interests of its shareholders. It enacts this by ensuring Cafédirect is a viable and ambitious trading company that can maximise its impact on stakeholders by achieving successful brand growth accompanied by strong financial results.

Stakeholder engagement

By maintaining regular dialogue with all stakeholder groups, the leadership communicates frequently on matters of strategy, tactical actions, performance and governance. It endeavours to acquire meaningful feedback and incorporate this to shape its actions and inform the board's decision making process.

Recognising the importance of balancing the interests of all stakeholders, Cafédirect's engagement with them is set out as follows:

- **Farmer Producers** are the reason that Cafédirect exists and its decision making reflects this. Through representation on the board, the farming community has a voice and is positioned to provide direct feedback about challenges they face and be a part of the decision-making process. Cafédirect maintains direct relationships with farming co-operatives at origin via its supply chain and marketing functions, as well as via Producers Direct, the charity founded in 2009 by Cafédirect to orchestrate and deliver meaningful impact and support the wellbeing of communities at origin.
- **Employees** are recognised and respected as a group of people who carry the responsibility to deliver Cafédirect's mission. The directors maintain a policy of transparency and openness, ensuring that they are able to contribute to the governance of the business via regular meetings and forums, where feedback is actively sought and incorporated into the decision making of the company. This policy and duty of care is extended to all those who work with Cafédirect including professional services providers and consultants.
- **Shareholders** are cherished and valued for their support of Cafédirect, in many cases over a very long period of time. Due to adverse results during 2024-2025, most have not yet seen positive return on their investment. The directors are committed to engaging the shareholders in plans to generate positive future returns while ensuring that they are aligned with Cafédirect's strategy for delivering. It is regarded as supremely important to relate sustainable financial and operating performance and to listen to concerns expressed and to incorporate this in the board's decision making. Communication is primarily via regular quarterly updates and the company's annual general meeting
- **Business partners** – this embraces not only suppliers and customers, but all organisations that support Cafédirect in its day-to-day business. These relationships are managed by both sales and operational staff in a manner that is consistent with the company's ethical values and principles. The directors impress on the company the importance of care, transparency and respect; its obligation to support its partners to be successful and to understand what is important to them, aligning their priorities with ours to form

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

relationships of the highest quality.

- **Bankers** are critical to the company's ability to trade through lending and other services required. Cafédirect has a very long-standing relationship with its banker, Triodos (itself a social enterprise), with whom it communicates with on a monthly basis to discuss performance and current matters. The directors are committed to ensuring that the Bank are in a position to manage their risk and that the two organisations work together to ensure adequate facilities and working capital are in place.

Promoting the success of the company

The directors are fully aware of their responsibilities to promote the success of the company in accordance with the act and takes regular steps to consider, at a board level, how it is operating in line with good corporate practice. The board structure reflects how seriously Cafédirect considers the interests of its stakeholders by maintaining representation on the board by two representatives of the growing community, a consumer and finance representative, a shareholder nominated representative, and a director nominated by the Guardian Share company (see the directors' report).

The business will continue to invest in social and economic impact, products, people, the personal development of those people, technological capability, and customer/consumer engagement in a meaningful way. It will enhance its corporate identity such that it will continue to set itself apart from its competitors. These activities will further heighten its profile as a highly regarded brand of great value and importance in the hot drinks sector.

Cafédirect considers collaborative engagement with all stakeholders as central to its definition of "success". It has, since its incorporation put the aim of improving the lives of the farming communities, on which the business depends, at front and centre of its mission – with board representation and, as the name "Cafédirect" suggests, maintaining direct and longstanding relationships with co-operatives in countries of origin. Furthermore, great value is placed on relationships of respect with all of its partners in business, local communities, organisations that further the cause of ethical trade, and on providing meaningful careers and prospects for its employees by providing a challenging but caring environment for their development, while working to take care of matters of wellbeing. The directors and business leadership regard their duty of care in respect of all of the above as critical to deliver the best long-term benefit to its shareholders both in terms of financial return, and the impact created by their investment in Cafédirect.

Best in class sales and marketing, purpose, procurement, supply chain and financial management will continue to focus on enabling the future success of the business and delivery of its pioneering mission.

This report was approved by the board and signed on its behalf.



John Steel
Director

Date:

2 June 2026

CAFEDIRECT PLC

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025**

The directors present their report and the financial statements for the year ended 31 December 2025.

Principal activity

The principal activity of the group in the year under review was that of brand management and trading in Fairtrade coffee products under the brand names Cafédirect and Grumpy Mule

Results and dividends

Details of the results for the year are set out in the statement of comprehensive income.

No dividends have been declared or paid in the year or in the subsequent period to date.

Directors

The directors who served during the year and their interests in the group's issued share capital were:

	Ordinary shares of 25p each	
	31/12/25	1/1/25
John Philips	20,055	<i>20,055</i>
Hendrik Baron de Kock	-	-
Silvia Herrera Hernandez	-	-
John Steel	108,170	<i>108,170</i>
Monica Middleton	-	-
Robert Humphreys	-	-
Michael Montalvan Tineo	-	-
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Substantial shareholdings

At the date of this report, the company is aware of the following shareholdings of 3% or more (amounts detailed are shares held and percentage of total shares held):

Oikocredit, Ecumenical Development Development Co-Operative Society, U.A. (3,166,667, 28%)
Oxfam Activities Limited (970,466, 9%)
Cafedirect Producers Limited (461,600, 4%)

Analysis of ordinary shareholders at 31 December 2025:

	Number of share- holders	% of total share- holders	Number of shares	% of total shares
1 - 500	2,062	51	821,117	7
501 - 1000	972	24	885,004	8
1001 - 5000	892	22	2,105,066	19
5001 - 10000	83	2	607,709	5
10001 and over	68	1	7,016,310	61
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	4,077	100	11,435,206	100

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Guardians' share

The company has one Guardians' share, held by the Guardian Share Company Limited ("GSCL"). GSCL has three members being Oxfam Activities Limited, Cafédirect Producers Limited and Oikocredit Ecumenical Development Co-Operative Society, U.A.

Political and charitable contributions

During the year, the group made donations of £100,000 (2024: £100,000) to Producers Direct. The group made no political donations during the current year and previous year.

Employees

It is the group's policy to keep employees informed, through regular team meetings and other communications, on performance and on matters affecting them as employees. It is also the group's policy to give proper consideration to applications for employment received from people with disabilities, and to give employees who become disabled every opportunity to continue their employment.

Pensions

In 2025, all Cafédirect plc employees were entitled to join the company's defined contribution pension scheme after completing three months' service. The company contributed an amount equal to 9% of basic salary provided the employee contributed at least 1% of their basic salary. Cafédirect Roastery Limited's pension policy was a company contribution of 3% and employee contribution of 5% with eligibility after completing three months' service. Pensions were harmonised across the two companies after the year-end.

Share Ownership

Cafédirect is committed to increasing the ownership of shares in the company by its employees.

Payment of suppliers

It is the group's policy to agree payment terms with suppliers when negotiating business transactions and to pay suppliers in accordance with contractual or other legal obligations.

Qualifying third-party indemnity provisions

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

Matters covered in the group strategic report

In accordance with section 414c (ii) of the Companies Act and included in the strategic report is the review of the business, principal risks and uncertainties and key performance indicators. This information would have been required by schedule 7 of the "Large and Medium sized Companies and Group (Accounts and Reports) Regulations 2008" to be contained in the directors' report.

Going concern

As set out in note 2.3, the directors have identified a material uncertainty related to going concern; however, having considered the available evidence, they remain satisfied that the going concern basis of preparation is appropriate.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the company and its group since the year end.

This report was approved by the board and signed on its behalf.



John Steel
Director

Date:

2 June 2026

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 company and the group 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 for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**BOARD COMMITTEE REPORTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

Code of best practice

The board recognises that the UK Corporate Governance Code, published by the Financial Reporting Council in July 2018, represents best practice for public companies and is committed to working towards compliance with the code in a manner that is appropriate to the company's size and structure.

The board

At 31 December 2025, the board consisted of:

Non-executive chair

Chief Executive

One independent non-executive director (finance representative)

Two producer directors

One Guardian Share Company nominee director (also acting as consumer representative)

One Oikocredit nominee director

The selection of new directors is delegated to the Nominations and Remuneration Committee, which makes recommendations to the board. Cafédirect Producers Limited and the Guardian Share Company Limited nominate the Producer directors and the Guardians nominee director respectively. This is a deviation from Provision 18 of the UK Corporate Governance Code which states that "all directors should be subject to annual re-election".

Cafédirect has chosen not to implement this at this time since it regards other safeguards in place, such as the oversight of the Guardian Share Company, broad representation on the board from a diverse group of stakeholders and continuity as offering more protection to its mission and governance than frequency of succession.

The Directors

Executive director:

John Steel was appointed Chief Executive in July 2012. John was previously Managing Director & then Chairman of Cornish Sea Salt Limited. Prior to this he held a number of commercial and general management positions with leading FMCG businesses, such as Nestle & Premier Foods, along with more entrepreneurial start-up and consultancy experience.

Non-executive directors:

Chairman:

John Philips was appointed as a director, Chair and member of the company's nominations and remuneration committee in April 2018, bringing with him a wealth of non-executive and executive experience. John's extensive executive experience includes a variety of international leadership roles for Diageo, Bacardi and Delgats wines. John is a fluent Spanish speaker and knows Latin America well. John is currently NED at Glutenberg Groupe.

Guardian Share Company nominee director:

Monica Middleton was appointed as Chair of the Guardian Share Company in December 2019 and serves on the board of Cafédirect as its nominee director and Chair of its nominations and remuneration committee.

Monica served as Oikocredit's UK Managing Director until 2019, prior to which she spent 25 years in executive commercial, marketing and advertising positions for corporates such as Dyson Electronics, the BBC, AMV.BBDO, and JWT as well as a smattering of SMEs. Alongside Cafédirect, she serves on the Boards of the Ethical Property Company, UK Women in Social Finance, Liberty Steel Group, and Liberty Infrabuild Steel Limited pulling focus on strategic environmental, social and governance imperatives in particular.

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Financial director:

Robert Humphreys was appointed as a director and Chair of the company's Audit Committee in March 2020. Robert previously served as the Director of Finance and Information Systems at Oxfam GB, and prior to that worked in professional practice for PriceWaterhouseCoopers for 26 years. His work for PwC was characterised by exposure to a broad range of both for-profit and not-for-profit organisations. He has served as a member of the ICAEW Corporate Governance Committee and is currently a board member of a major not-for-profit organisation.

Producer directors:

Michael Montalvian Tineo is the General Manager of Cooperativa Agraria Cafetalera La Prosperidad de Chirinos, having joined in 2014 and progressed through administrative and production roles, taken responsibility for finance before assuming the role of General Manager in 2019. He has more than eleven years of experience working with producer organisations with Fairtrade and Organic certifications and has been connected with Cafédirect since 2014.

Silvia Herrera has worked at Unión de Ejidos y Comunidades San Fernando for 11 years, although as she comes from a coffee producing family she has been involved with the cooperative since she was a child. Silvia leads the sales and quality control team at the cooperative and is part of its extended management committee. She has been chair of the Standards and Procedures Committee at SPP (Small Producers) fairtrade group for three years and is Secretary of the Mexican Fairtrade Network.

Director nominated by Oikocredit:

Hendrik Baron De Kock has thirty years' experience in the coffee industry including commercial and leadership roles with Douwe Egberts and successful establishment, leadership and sale of a well-known, highly progressive coffee shop chain in Holland.

The board is responsible for setting strategy, approving budgets, capital expenditure, investments and disinvestments. A report summarising the company's financial and operational performance is sent to the directors at least seven days in advance of board meetings, the aim being to provide each director with information to help them make informed judgements on matters referred to the board. The board meets at least four times a year.

Directors' remuneration

The board has established a Nominations and Remunerations Committee, consisting entirely of non-executive directors. Details of each director's remuneration are set out on page O/S.

Shareholder information

The board invites all shareholders to participate at the Annual General Meeting and provides the Annual Report, company announcements and other information on the website at www.Cafédirect.co.uk. If you have any questions about transfer of shares, change of name or address, lost share certificates, death of a registered holder of shares, or any other query relating to the company's shares, please contact the registrar on 0871 664 0300, or at the following address:

Link Asset Services
The Registry, 34 Beckenham Road
Beckenham, Kent, BR3 4TU

Shares are traded on a match bargain basis and the share trading platform and match-bargain market broker service is now operated by JP Jenkins. Please visit <https://jpenkins.com/company/cafedirect/> for information about trading shares.

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

REPORT OF THE AUDIT COMMITTEE ON BEHALF OF THE BOARD

Committee members during the year were:

Robert Humphreys (Chair)
Hendrik Baron de Kock

The ongoing membership of the Committee is normally two people, which is considered adequate for a company of this size and scale and is in accordance with the terms of reference for the Committee agreed by the Board. Members have considerable experience of financial reporting and of risk management. The Committee is supported by the Head of Finance, Group Financial Controller and the Chief Executive Officer, who, in keeping with good practice, are not formally members of the Committee.

The purpose of the Audit Committee is to establish formal and transparent arrangements regarding financial reporting and internal control principles and to maintain an appropriate relationship with the company's auditors. The Committee formally met five times during the year. The Chair of the Committee met regularly with the Head of Finance.

The key areas of focus for the Audit Committee and the full Board during the year included:

- Review of 2024 financial accounts and audit
- Monitoring the integrity of the financial statements, plans and forecasts, with a particular focus on cash flow management, developing longer term planning and the financing needs of the business to ensure future sustainability
- The business' ongoing capacity to accommodate regulatory changes that have presented material challenge to Cafédirect and continue to do so
- Continuing to monitor the financial implications of the integration of the acquired subsidiary – Bewley's Tea and Coffee UK Limited into the Group; the integration process is considered to be complete at the end of 2025
- Improving risk management and accountabilities, including how risks are identified, mitigated and reported to the Committee and the board of directors
- Working with the external auditors and monitoring the ongoing audit requirements of the company, including providing input to the audit plan
- Monitoring the ongoing legal and banking requirements of the company, including compliance with banking covenants relating to facilities in place with Triodos
- Reviewing foreign exchange hedging arrangements
- Review of internal controls
- Oversight of the change in financial leadership of the Group during the year, ensuring continuity of key controls and processes.

The Committee has continued to be involved, along with the Board, in considering the information on which the directors determine that the accounts should be prepared on a going concern basis. As noted, the cash position of the Company remains under constant review by Management and will continue to be the subject of ongoing and frequent review by the Board. While the integration of Bewley's Tea and Coffee UK Limited into the Group, following its acquisition in 2023, is basically complete, the Committee is mindful of the additional risks which the increased size and complexity of the enlarged Group represents. Also, the unprecedented increase in coffee prices which have prevailed since late 2024 have placed further strain on our results and cashflow. Accordingly the Chair and the Head of Finance have maintained a close dialogue during the period, to ensure that information presented to the Board adapts to the Company's circumstances and is timely and accurate.

The loan from Triodos is subject to covenants relating to the gross sales and profit measures; the quantification of those covenants has been the subject of discussion between the Group and the Triodos in order to align them with the Group's latest financial projections. Covenants for 2026 have been agreed with Triodos and are based on the approved budget for the year.

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

The Board has instructed officers of the Company to engage closely with Triodos about the detail of future plans, particularly as forecasts change, and ensure that any covenant breaches are fully explained.

The company maintains a comprehensive risk register. The register is reviewed by the Executive on a monthly basis to assess the status of each risk and to document mitigating or avoiding actions, also to ensure the appropriate person in the organisation is accountable for the management of those risks. The register is reviewed by the Committee a minimum of twice annually. Material risks are notified to the Board as appropriate.

The Committee remains highly alert in ensuring adequate financial governance and risk assessment in relation to other significant factors that affect Cafédirect's trading environment. This uncertainty impacts on the whole range of the Company's activities, with potential impact arising from elevated supply risk, changing consumer behaviours, market dynamics and cost inflation which may present the business with future challenges that are difficult to foresee. Accordingly the Committee subjects the Executive to heightened challenge to ensure Cafédirect is adaptable and that the risks are appropriately contemplated.

The technology projects implemented over the last four years have provided improved capability to enhance the system of internal controls within Cafédirect and significant enhancements have been made which improve control and efficiency. The Committee will maintain continuous monitoring and oversee development of further improvements in conjunction with an overall review to ensure that documented controls are adequate and keeping pace with changes in the organisation.

The key risk issues are reviewed by the Board on an ongoing basis and I am satisfied that the approach taken is appropriate. The key risks and the approach to mitigation are set out in the Strategic Report.

Robert Humphreys
Chair – Audit Committee

Date: 2 June 2026

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

INTERNAL CONTROL

The directors have responsibility for the company's system of internal control and for reviewing its effectiveness. Such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, and not absolute, assurance against material misstatement or loss. The directors confirm that the process for identifying, evaluating and managing the significant risks faced by the company is in accordance with the FRC's Internal Control: Guidance to Directors (previously known as the Turnbull Guidance), was in place throughout the accounting period and up to the date when the financial statements were approved, and is regularly reviewed by the board.

Management are responsible for the identification and evaluation of significant risks and for the design and implementation of appropriate internal controls. These risks are assessed on an ongoing basis and may be associated with internal or external factors. Management reports regularly to the board on the key risks and on the way that these are managed, and also reports to the board on any significant changes to the company's business and on any risks associated with these changes. There is active board involvement in assessing the key business risks facing the company and determining the appropriate course of action for managing these risks. The directors have established procedures designed to provide an effective system of internal control, with the following features:

- Budgetary control over all departments, measuring performance against pre-determined targets on a monthly basis.
- Regular forecasting and reviews covering trading performance, assets, liabilities and cash flow.
- Delegated limits of authority covering key financial commitments including capital expenditure and recruitment.
- Identification and management of key business risks

The board, partly through the Audit Committee, has reviewed the effectiveness of the company's system of internal control during the period.

Robert Humphreys
Director
Date: 2 June 2026

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

REPORT OF THE NOMINATIONS AND REMUNERATION COMMITTEE ON BEHALF OF THE BOARD

Committee members during the year:

Monica Middleton (Chair)
John Philips

In addition, both the CEO (as executive director) and the Head of Operations provide support and information to the Committee but in keeping with good practice are not formally members.

The Committee's purpose is to oversee, on behalf of the board, formal and transparent arrangements in the spirit of Cafédirect's Gold Standard, regarding the appointment, development and reward of the Executive Team and the Board including remuneration of non-executive directors).

The Committee formally met four times in 2025.

Nominations - key activities

Objective:

Identify and nominate for approval by the board, candidates to fill board vacancies.

Outcome:

There were no changes to the board of directors.

Remuneration - key activities

Objective:

Determine and agree with the board, the policy (externally benchmarked) for the remuneration of the CEO and Executive Team members. This sets the framework for considering remuneration for all employees.

Outcome:

The policy was reviewed during 2025. In summary, the company looks for employees who are socially and environmentally motivated, as well as having the necessary skills and experience to manage and grow the business successfully under volatile trading conditions. A broad range of different factors are considered when determining remuneration. These include social enterprise and FMCG salary differentials as well as specific experience and skill requirements.

Objective:

Approve the design of any performance-related pay schemes and share incentive plans.

Outcome:

No bonus scheme was approved in 2025.
No share incentive plan was approved in 2025.

Objective:

Determine the policy and scope for pension arrangements for each executive director and the remaining members of the Executive Team. This sets the framework for considering pension policy for all employees.

Outcome:

The pension policy remains the same.

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Cafédirect plc offers an ethically screened fund choice to employees. The company contribution is 9% of basic salary subject to a minimum employee contribution of 1%. Cafédirect continues to use the Group Stakeholder Pension Plan, My Future Growth, managed by Aviva. Arthur J Gallagher continues to provide the financial advisory service and administration of the pension scheme.

Cafédirect Roastery Limited offers the company contribution is 3% of basic salary, the employee contribution is 5%. Royal London, a mutual company owned by customers.

The pension contributions for Cafédirect Roastery Limited employees have been harmonised in 2026 to bring in line with Cafédirect PLC employees.

Executive Directors

There is only one executive director on the board, the Chief Executive Officer. Basic entitlements:

- The executive director has a service contract that is subject to a notice period from the company and the employee of six months.
- The executive director is paid a basic salary subject to annual review.
- In addition, he is entitled to a share in an annual senior executive bonus as appropriate to market and company performance.
- The benefit of private medical insurance is available to all employees, including the executive director.
Pension provision: The executive director is entitled to join the company's defined contribution pension scheme. The company contributes 9% of basic salary provided the employee contributes at least 1% of their basic salary.

Board chair and non-executive directors fees

The remuneration of the Chair and the non-executive directors is at all levels intended to reflect the purpose-led nature of the business and the ongoing time commitments and involvement required.

The Chair and the non-executive directors do not have service contracts. Each non-executive director receives an annual fee. The Chair and the non-executive directors are not entitled to participate in the company's share incentive plan, nor in any performance pay schemes or pension schemes and would not receive any compensation in the event of early termination.

The fees for non-executive directors were reviewed and increased in 2025 to incorporate historical inflation and to recognise additional time requirements associated with chairing Committees and the Guardian Share Company. To determine a competitive range for reviewing board fees, benchmarking was undertaken against similar-sized organisations, including social enterprises. The review aimed to ensure fair remuneration; support the attraction and retention of skilled board members, and align with market standards while remaining conscious of the organisation's mission and financial sustainability. The review also took into consideration that board fees were last reviewed in July 2011.

CAFEDIRECT PLC

**BOARD COMMITTEE REPORTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2025**

Directors' emoluments

For the year ended 31 December 2025

	Fees	Salary	Pension Contributions	Total
	£	£	£	£
John Philips (Chair)	20,000	-	-	20,000
Hendrik Baron de Kock	-	-	-	-
Silvia Herrera-Hernandez	8,000	-	-	8,000
John Steel (Chief Executive)	-	180,206	16,218	196,424
Monica Middleton	12,000	-	-	12,000
Robert Humphreys	10,000	-	-	10,000
Michael Montalvan Tineo	8,000	-	-	8,000
	58,000	180,206	16,218	254,424

Fees for Michael Montalvan Tineo were paid to Cooperativa Agraria Cafetalera La Prosperidad de Chirinos. Hendrik Baron de Kock's fees, amounting to €8,000, were paid by shareholder: the Oikocredit Ecumenical Development Co-Operative Society, U.A in the Netherlands.

Directors' remuneration does not take into account policies applied when setting pay and conditions of employment of employees, since separate policies apply to directors and employees. Given the market driven approach to evaluating fair remuneration for directors and the consistent policies/approach that apply to all remuneration considerations, the company did not consider it necessary to consult with employees in relation to directors' remuneration.

No representations were received from shareholders of any kind expressing any view in relation to directors' remuneration.

Directors attendance at remuneration and nominations committee meetings:

For the year ended 31 December 2025

John Philips (Chair)	4
Hendrik Baron de Kock	-
Silvia Herrera-Hernandez	-
John Steel (Chief Executive)	-
Monica Middleton	4
Robert Humphreys	4
Michael Montalvan Tineo	-

Name Monica Middleton
Chair: Remuneration Committee

Date: 2 June 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAFEDIRECT PLC

Opinion

We have audited the financial statements of Cafedirect Plc (the 'company') and its subsidiaries (the 'group') for the year ended 31 December 2025, which comprise the consolidated statement of comprehensive income, the consolidated statement of financial Position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.3 in the financial statements, which indicates that the group and company was in breach of its debt covenants during the year and are dependent on continued support of its banking partners. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAFEDIRECT PLC (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

We have nothing to report in this regard.

Opinion 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report 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 Group strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, 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 set out on page 10, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAFEDIRECT PLC (CONTINUED)

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 Group financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the group and industry in which the group operates, and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006 and tax legislation. Our procedures involved enquiries with management, review of the reporting to the directors with respect to compliance with laws and regulation, review of board meeting minutes and review of legal correspondence.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. 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, reviewing accounting estimates for biases corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards and applicable law.

We focused on laws and regulations that could give rise to a material misstatement in the group financial statements. Our audit procedures included but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- testing of journal postings made during the year to identify potential management override of controls;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAFEDIRECT PLC (CONTINUED)

Use of our report

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



John Glasby (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

Date: 2 June 2026

CAFEDIRECT PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	2025 £	2024 £
Turnover	4	25,722,087	26,018,417
Cost of sales		(19,739,147)	(20,817,778)
Gross profit		5,982,940	5,200,639
Administrative expenses		(5,808,385)	(6,261,729)
Operating profit/(loss)	5	174,555	(1,061,090)
Interest receivable and similar income	8	3,597	7,520
Interest payable and similar expenses	9	(92,662)	(172,439)
Profit/(loss) before taxation		85,490	(1,226,009)
Tax on profit/(loss)	10	-	-
Profit/(loss) for the financial year		85,490	(1,226,009)
Profit/(loss) for the year attributable to:			
Owners of the parent company		85,490	(1,226,009)

There was no other comprehensive income for 2025 (2024:£NIL).

The notes on pages 29 to 48 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	11	445,133	467,770
Tangible assets	12	151,486	236,731
		596,619	704,501
Current assets			
Stocks	14	3,036,392	2,551,179
Debtors: amounts falling due within one year	15	3,468,355	4,036,909
Cash at bank and in hand	16	192,247	348,663
		6,696,994	6,936,751
Creditors: amounts falling due within one year	17	(5,350,625)	(5,573,122)
Net current assets		1,346,369	1,363,629
Total assets less current liabilities		1,942,988	2,068,130
Creditors: amounts falling due after more than one year	18	(1,158,407)	(1,372,892)
Net assets		784,581	695,238
Capital and reserves			
Called up share capital	19	2,858,801	2,858,801
Share premium account	20	4,174,088	4,174,088
Translation reserve	20	-	(3,853)
Hedging reserve	20	(22,524)	(22,524)
Profit and loss account	20	(6,225,784)	(6,311,274)
Equity attributable to owners of the parent company		784,581	695,238

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 June 2026.



John Steel
Director

The notes on pages 29 to 48 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	11	323,609	361,365
Tangible assets	12	29,501	51,844
Investments	13	1,625,798	1,625,798
		1,978,908	2,039,007
Current assets			
Stocks	14	597,322	401,038
Debtors: amounts falling due within one year	15	1,900,162	2,990,537
Cash at bank and in hand	16	140,066	195,902
		2,637,550	3,587,477
Creditors: amounts falling due within one year	17	(1,193,202)	(2,685,391)
		1,444,348	902,086
Net current assets			
		3,423,256	2,941,093
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	18	(1,158,407)	(1,372,892)
		2,264,849	1,568,201
Net assets			
Capital and reserves			
Called up share capital	19	2,858,801	2,858,801
Share premium account	20	4,174,088	4,174,088
Profit and loss account brought forward		(5,464,688)	(5,199,874)
Profit/(loss) for the year		696,648	(264,814)
Profit and loss account carried forward		(4,768,040)	(5,464,688)
		2,264,849	1,568,201

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 June 2026.



John Steel
Director

The notes on pages 29 to 48 form part of these financial statements.

CAFEDIRECT PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Called up share capital £	Share premium account £	Translation reserve £	Hedging reserve £	Profit and loss account £	Total equity £
At 1 January 2024	2,858,801	4,174,088	-	24,841	(5,085,265)	1,972,465
Loss for the year	-	-	-	-	(1,226,009)	(1,226,009)
Reserves transfer	-	-	(3,853)	(47,365)	-	(51,218)
At 1 January 2025	2,858,801	4,174,088	(3,853)	(22,524)	(6,311,274)	695,238
Profit for the year	-	-	-	-	85,490	85,490
Reserves transfer	-	-	3,853	-	-	3,853
At 31 December 2025	2,858,801	4,174,088	-	(22,524)	(6,225,784)	784,581

The notes on pages 29 to 48 form part of these financial statements.

CAFEDIRECT PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Called up share capital £	Share premium account £	Hedging reserve £	Profit and loss account £	Total equity £
At 1 January 2024	2,858,801	4,174,088	24,841	(5,199,874)	1,857,856
Loss for the year	-	-	-	(264,814)	(264,814)
Fair value loss on effective hedge	-	-	(24,841)	-	(24,841)
At 1 January 2025	2,858,801	4,174,088	-	(5,464,688)	1,568,201
Profit for the year	-	-	-	696,648	696,648
At 31 December 2025	2,858,801	4,174,088	-	(4,768,040)	2,264,849

The notes on pages 29 to 48 form part of these financial statements.

CAFEDIRECT PLC

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025**

	2025 £	2024 £
Cash flows from operating activities		
Profit/(loss) for the financial year	85,490	(1,226,009)
Adjustments for:		
Amortisation of intangible assets	156,914	71,976
Depreciation of tangible assets	45,448	187,854
Loss on disposal of tangible assets	64,737	-
Interest paid	92,662	172,440
Interest received	(3,597)	(7,520)
(Increase)/decrease in stocks	(485,213)	1,305,021
Decrease/(increase) in debtors	568,554	(252,859)
(Decrease) in creditors and provisions	(220,238)	(12,788)
Translation reserve and hedging instrument	3,853	(51,218)
Net cash generated from operating activities	308,610	186,897
Cash flows from investing activities		
Purchase of intangible fixed assets	(134,277)	(272,439)
Purchase of tangible fixed assets	(24,940)	(263,413)
Sale of tangible fixed assets	-	174,644
Interest received	3,597	7,520
Net cash from investing activities	(155,620)	(353,688)
Cash flows from financing activities		
Repayment of bank loans	(216,744)	(286,623)
Interest paid	(92,662)	(172,440)
Net cash used in financing activities	(309,406)	(459,063)
Net (decrease) in cash and cash equivalents	(156,416)	(625,854)
Cash and cash equivalents at beginning of year	348,663	974,517
Cash and cash equivalents at the end of year	192,247	348,663
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	192,247	348,663

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

1. General information

The company is a public company (limited by shares) incorporated and domiciled in Scotland.

The company's registered office is 115 George Street, Edinburgh, Scotland EH2 4JN whilst its principal place of business is The Roastery, Bent Ley Industrial Estate, Meltham, Holmfirth, England HD9 4EP.

The nature of the company's and its group's operations and their principal activities are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 judgment in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.3 Going concern

As detailed in the strategic report, the group reported a profit after tax for the year of £85,490 (2024 loss: £1,226,009). The cash position at the year-end remained positive at £192,247 (2024: £348,663).

Following the losses sustained in 2023 and 2024, and a sudden and prolonged increase in the price of raw coffee in the first half of 2025, the second half of 2025 saw a return to profitability. A key driver of this profit was being able to pass on the substantial increase in the group's input prices onto customers.

The group's loan is monitored using two covenants, one related to revenue and another to profit. The group passed the revenue covenant in every period in 2025. It breached the profit covenant every month until September. It passed in September and October and failed in November and December, but the final two breaches were owing to over-profitability rather than underperformance. Covenants have been reset after the year end to remove the element of the covenant that drove the final two breaches. Triodos has offered written support to the group confirming that it has no intention to withdraw facilities for the foreseeable future, while retaining its usual rights.

As highlighted in the 2024 report the business responded swiftly to the extreme rise in the raw coffee price and carried out the following actions from May-September 2025:

- Successfully implementing further price increases to all customers, on time and in full.
- Reduction in inventory holdings from 4 weeks to less than 2.5 weeks to mitigate the higher stock value arising from higher coffee prices.
- Successful rationalisation of product ranges including low profit and non-core stock keeping units such as flavoured syrups, stirrers, sugar sticks etc.
- Reduction in overhead costs including head count reduction in H2 2025.

Performance in the first few months of 2026 has been promising compared to the budget and reforecast, while reflecting that the group has in past years shown a seasonal pattern which results in profit being loaded towards H2.

Although the directors are confident that Cafédirect will meet its forecasts, a material uncertainty exists in the event that the group were to fail to meet its loan covenants and its bankers were to withdraw their support without sufficient notice to allow alternative arrangements to be made. Taking into account the reassurance received in writing from the bankers, the directors do not consider this eventuality, which may cast significant doubt about the group's and company's ability to continue as a going concern, to be likely. This could impact the group's ability to realise its assets and settle its liabilities in the normal course of business. The financial statements do not include the adjustments that would result if the group and the company were unable to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.6 Operating leases: the group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

2.10 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Computer software	-	5	years
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2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Over life of lease
Fixtures and fittings	- Over three years
Computer equipment	- Over five years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.18 Creditors

Short-term creditors are measured at the transaction price. Non short-term creditors are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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 revision and future periods, if the revision affects both current and future periods.

The critical judgements that the directors have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below:

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment associated with property, plant and equipment, investments in subsidiary undertakings and intangible assets, the directors' have considered both external and internal sources of information such as market values, changes in technological, economic and legal environments, evidence of obsolescence or physical damage of assets and declines in economic performance.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below:

(i) Determining useful economic lives of intangible assets

The group amortises intangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on management's assessment of the period over which the asset is expected to generate future economic benefit for the group. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, consumer trends and other external factors such as brand reputation and economic conditions.

(ii) Stock provision

The group establishes a provision for stocks where the estimated selling price less cost to complete and sell is lower than the cost of the stock. When assessing the estimated selling price for stocks the directors have considered factors such as the ageing of the stock, current market conditions and past sales experience.

(iii) Debtor recoverability

The group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the ageing of the receivables, past experience of recoverability and the credit profile of individual or groups of customers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

4. Turnover

An analysis of turnover by class of business is as follows:

	2025	2024
	£	£
Coffee	24,671,987	22,631,936
Tea	40,898	199,021
Hot chocolate	165,655	232,620
Anciliaries	843,547	2,954,840
	<u>25,722,087</u>	<u>26,018,417</u>

Analysis of turnover by country of destination:

	2025	2024
	£	£
United Kingdom	25,092,830	25,048,757
Rest of the world	629,257	969,660
	<u>25,722,087</u>	<u>26,018,417</u>

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2025	2024
	£	£
Exchange differences	(41,368)	167,894
Depreciation of tangible fixed assets	45,448	187,854
Amortisation of intangible fixed assets	156,914	71,976
Auditor's remuneration: as auditors	85,000	72,000
Auditor's remuneration: non-audit	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

6. Employees

Staff costs were as follows:

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Wages and salaries	3,314,653	3,822,735	1,243,974	1,395,009
Social security costs	422,168	371,184	211,939	186,089
Cost of defined contribution pension scheme	170,328	192,791	129,404	135,250
	3,907,149	<i>4,386,710</i>	1,585,317	<i>1,716,348</i>

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

	Group 2025 No.	<i>Group 2024 No.</i>	Company 2025 No.	<i>Company 2024 No.</i>
Sales and marketing	13	18	7	8
Operations and administration	53	59	18	17
	66	<i>77</i>	25	<i>25</i>

7. Directors' remuneration

	2025 £	<i>2024 £</i>
Directors' emoluments	238,206	210,833
Group contributions to defined contribution pension schemes	16,218	15,288
	254,424	<i>226,121</i>

During the year retirement benefits were accruing to 1 director (2024 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £180,206 (2024 - £177,833).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £16,218 (2024 - £15,288).

The directors are considered the key management personnel of the group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

8. Interest receivable

	2025	2024
	£	£
Bank interest receivable	3,597	7,520

9. Interest payable and similar expenses

	2025	2024
	£	£
Bank interest payable	92,662	172,439

10. Taxation

	2025	2024
	£	£
Total current tax	-	-

Factors affecting tax charge for the year

No liability to UK corporation tax arose during the current year and previous year as a result of corporation tax losses being incurred.

Factors that may affect future tax charges

At 31 December 2025, the group had corporation tax losses of approximately £14.7m (2024: £14.4m) to carry forward against future taxable trading profits. A deferred tax asset in respect of the corporation tax losses carried forward has not been recognised within these financial statements because of the current uncertainty as to their utilisation.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

11. Intangible assets**Group**

	Computer software £	Goodwill £	Total £
Cost			
At 1 January 2025	790,669	(1,605,693)	(815,024)
Additions	134,277	-	134,277
Elimination	-	1,605,693	1,605,693
At 31 December 2025	<u>924,946</u>	<u>-</u>	<u>924,946</u>
Amortisation			
At 1 January 2025	322,899	(1,605,693)	(1,282,794)
Charge for the year on owned assets	156,914	-	156,914
Elimination	-	1,605,693	1,605,693
At 31 December 2025	<u>479,813</u>	<u>-</u>	<u>479,813</u>
Net book value			
At 31 December 2025	<u>445,133</u>	<u>-</u>	<u>445,133</u>
At 31 December 2024	<u>467,770</u>	<u>-</u>	<u>467,770</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

11. Intangible assets (continued)

Company

	Computer software £
Cost	
At 1 January 2025	675,404
Additions	86,428
At 31 December 2025	<u>761,832</u>
Amortisation	
At 1 January 2025	314,039
Charge for the year	124,184
At 31 December 2025	<u>438,223</u>
Net book value	
At 31 December 2025	<u>323,609</u>
<i>At 31 December 2024</i>	<u>361,365</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

12. Tangible fixed assets**Group**

	Leasehold improve- ments £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2025	265,307	3,328,809	198,259	3,792,375
Additions	11,074	12,077	1,789	24,940
Disposals	-	(1,262,878)	-	(1,262,878)
At 31 December 2025	<u>276,381</u>	<u>2,078,008</u>	<u>200,048</u>	<u>2,554,437</u>
Depreciation				
At 1 January 2025	253,902	3,152,479	149,263	3,555,644
Charge for the year on owned assets	4,087	28,196	13,165	45,448
Disposals	-	(1,198,141)	-	(1,198,141)
At 31 December 2025	<u>257,989</u>	<u>1,982,534</u>	<u>162,428</u>	<u>2,402,951</u>
Net book value				
At 31 December 2025	<u>18,392</u>	<u>95,474</u>	<u>37,620</u>	<u>151,486</u>
<i>At 31 December 2024</i>	<u>11,405</u>	<u>176,330</u>	<u>48,996</u>	<u>236,731</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

12. Tangible fixed assets (continued)

Company

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2025	84,384	72,040	156,424
Additions	-	2,848	2,848
At 31 December 2025	<u>84,384</u>	<u>74,888</u>	<u>159,272</u>
Depreciation			
At 1 January 2025	73,376	31,204	104,580
Charge for the year on owned assets	11,008	14,183	25,191
At 31 December 2025	<u>84,384</u>	<u>45,387</u>	<u>129,771</u>
Net book value			
At 31 December 2025	<u>-</u>	<u>29,501</u>	<u>29,501</u>
At 31 December 2024	<u>11,008</u>	<u>40,836</u>	<u>51,844</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

13. Fixed asset investments

Company: Investment in subsidiary undertakings

	£
Cost	
At 1 January 2025	1,625,798
At 31 December 2025	<u>1,625,798</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Cafedirect Roastery Limited	*	Ordinary	100%
Cafedirect Coffee Trading Company Limited	**	Ordinary	100%

* Bent Ley, Bent Ley Industrial Estate, Meltham, Holmfirth, England

** Suite 10383, 5 Fitzwilliam Square, Dublin, Ireland

14. Stocks

	Group 2025	<i>Group 2024</i>	Company 2025	<i>Company 2024</i>
	£	£	£	£
Raw materials and consumables	1,405,997	1,429,660	75	-
Finished goods and goods for resale	1,630,395	1,121,519	597,247	401,038
	<u>3,036,392</u>	<u>2,551,179</u>	<u>597,322</u>	<u>401,038</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

15. Debtors

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Trade debtors	3,175,239	3,303,521	1,738,602	1,649,683
Amounts owed by group undertakings	-	-	-	1,103,099
Other debtors	202,082	425,478	102,397	82,550
Prepayments and accrued income	91,034	307,910	59,163	155,205
	<u>3,468,355</u>	<u>4,036,909</u>	<u>1,900,162</u>	<u>2,990,537</u>

16. Cash and cash equivalents

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Cash at bank and in hand	192,247	348,663	140,066	195,902

17. Creditors: Amounts falling due within one year

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Bank loans	349,159	315,973	349,159	315,973
Trade creditors	3,835,473	3,389,365	333,695	389,098
Amounts owed to group undertakings	-	-	120,019	1,286,264
Other taxation and social security	86,785	108,840	51,103	55,259
Other creditors	33,546	332,984	20,639	112,501
Accruals and deferred income	1,045,662	1,425,960	318,587	526,296
	<u>5,350,625</u>	<u>5,573,122</u>	<u>1,193,202</u>	<u>2,685,391</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

18. Creditors: Amounts falling due after more than one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Bank loans	725,151	975,081	725,151	975,081
Other creditors	433,256	397,811	433,256	397,811
	<u>1,158,407</u>	<u>1,372,892</u>	<u>1,158,407</u>	<u>1,372,892</u>

The bank loans detailed above and in the preceding note are repayable by August 2028 and bear interest at 4.5% above the UK bank base rate.

The bank loans are secured by a floating charge over all the assets and undertakings (both present and future) of the group and are subject to covenants based upon turnover and profit performance.

19. Share capital

	2025 £	2024 £
Allotted, called up and fully paid		
11,435,204 (2024 - 11,435,204) Ordinary shares of £0.25 each	2,858,801	2,858,801
1 (2024 - 1) Guardians' share of £0.25	-	-
	<u>2,858,801</u>	<u>2,858,801</u>

Ordinary shares

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

Guardians' share

In addition to the above Ordinary share capital there is one Guardians' share of £0.25p which is fully paid. This share, held by the Guardian Share Company Limited ("GSCL"), differs from the Ordinary shares in that it gives the owners (the "Guardians") certain additional rights.

Those rights comprise:

- (i) they have the right to appoint a director to the Cafédirect board;
- (ii) their consent is required to make any changes to the key principles of Cafédirect's Gold Standard, or to the company's objects as set out in its Articles of Association; and
- (iii) they have a right of consultation before any changes can be made to the wording of the full Gold Standard. If such consultation does not result in unanimous consent, the proposals must be put to the members of Cafédirect as a special resolution at a general meeting.

GSCL has three members being Oxfam Activities Limited, Cafédirect Producers Limited and Oikocredit Ecumenical Development Co-Operative Society U.A.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

20. Reserves

Share premium account

The share premium account represents accumulated amounts on the issue of share capital in excess of the par value.

Foreign exchange reserve

This reserve represents the exchange differences arising on the translation of the financial statements of the company's Irish subsidiary from Euros to Pound Sterling on consolidation.

Hedging reserve

This reserve represents the cumulative gains or losses arising on the marking to fair value of open hedging transactions.

Profit and loss account

The profit and loss account represents the accumulated undistributed reserves of the company and its group.

21. Analysis of net debt

	At 1 January 2025 £	Cash flows £	At 31 December 2025 £
Cash at bank and in hand	348,663	(156,416)	192,247
Debt due after 1 year: bank loans	(975,081)	249,930	(725,151)
Debt due within 1 year: bank loans	(315,973)	(33,186)	(349,159)
	<u>(942,391)</u>	<u>60,328</u>	<u>(882,063)</u>

22. Earnings per share

Basic earnings per share is calculated by dividing the profit after tax attributed to equity shareholders by the weighted average number of shares in issue after deducting the owned shares held by employees. There were no diluted shares at the end of the current year and previous year.

The basic weighted average number of shares at the end of the current year and previous year was 11,435,206.

Basic earnings per share for the year ended 31 December 2025 was a profit of 0.75 pence (2024 loss: 10.72 pence) per share.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

23. Pension commitments

The group operates defined contributions pension schemes ("the schemes"). The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge for the year (as detailed in the employees note) represents contributions payable by the group to the schemes. At 31 December 2025, contributions totalling £9,572 (2024: £22,742) were payable to the schemes and are included in creditors.

24. Commitments under operating leases

At 31 December 2025, the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2025	<i>Group 2024</i>	Company 2025	<i>Company 2024</i>
	£	£	£	£
Not later than 1 year	280,480	312,900	61,798	78,536
Later than 1 year and not later than 5 years	190,257	582,430	75,226	169,967
	470,737	895,330	137,024	248,503

25. Financial instruments

Financial assets measured at fair value comprise cash at bank and in hand. At 31 December 2025, the total of such assets was £192,247 (2024: £348,663).

Financial assets measured at amortised cost comprise trade debtors and other debtors. At 31 December 2025, the total of such assets was £3,377,321 (2024: £3,728,999).

Financial liabilities measured at fair value comprise bank loans. At 31 December 2025, the total of such liabilities was £1,074,310 (2024: £1,291,054).

Financial liabilities measured at amortised cost comprise trade creditors and other creditors. At 31 December 2025, the total of such liabilities was £5,400,694 (2024: £4,120,160).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

26. Related party transactions

The company has taken advantage of the exemption granted under FRS 102 not to disclose transactions with its wholly-owned subsidiary undertakings.

The following related parties disclosure is in respect of transactions entered into with certain of the group's shareholders, namely Oxfam Activities Ltd, Cafedirect Producers' Foundation and Oikocredit Ecumenical Development Co-Operative Society, U.A. All transactions with related parties are on arm's length terms.

	Group 2025	Group 2024	Company 2025	Company 2024
	£	£	£	£
Services provided to	289,910	298,407	7,844	16,341
Sales of goods	589,982	1,936,344	274,293	1,204,008
Purchases of goods	10,580,046	11,292,453	-	-
Services provided by	-	-	-	-
Charitable donations	100,000	100,000	100,000	100,000
Amounts owed by related parties	-	25,417	-	25,417
Amounts owed to related parties	-	-	-	-

27. Post balance sheet events

There have been no significant events affecting the company and its group since the year end.

28. Parent undertaking and controlling party

The company has neither a parent undertaking nor a controlling party.