QUIZ

QUIZ PLC
ANNUAL REPORT AND
FINANCIAL STATEMENTS
2024

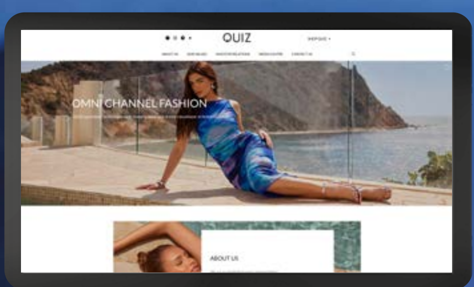
QUIZ

Omni-channel Fashion

STRATEGIC REPORT

CORPORATE GOVERNANCE

FINANCIAL STATEMENTS



WWW.QUIZGROUP.CO.UK

Investor.relations@quizclothing.co.uk

2024 HIGHLIGHTS

GROUP REVENUE

2024

£82.0m ↓

(2023: £91.7m)

EBITDA

2024

£0.9m ↓

(2023: £6.2m)

LOSS BEFORE TAX

2024

£6.7m ↓

(2023: £2.3m profit)

NET CASH AT YEAR END

2024

£0.3m ↓

(2023: £7.6m)

EPS

2024

-5.05p ↓

(2023: 1.64p)

CAPITAL EXPENDITURE

2024

£4.6m ↑

(2023: £2.5m)

FINANCIAL HIGHLIGHTS:

- Consistent with the trends outlined in the Group's Trading Update on 28th March 2024 and further to the impact of cost of living pressures on consumer demand Group revenue decreased 11% year on year to £82.0 million (2023: £91.7 million)
- Higher levels of full price sales resulted in gross margin increasing to 62.2% (2023: 61.6%)
- EBITDA of £0.9 million (2023: £6.2 million) with the reduced revenues in the year being the main factor leading to the lower EBITDA
- Loss before tax of £6.7 million (2023: £2.3 million profit)
- Operating cash outflow of £0.9 million (2023: inflow of £5.9 million)
- Total liquidity headroom at 31 March 2024 of £2.0 million, being a cash balance of £0.3 million and £1.7 million of unutilised bank facilities (31 March 2023: £8.3 million, being cash of £7.6 million and £2.1 million of unutilised bank facilities less £1.4 million of bank loans)

OPERATIONAL HIGHLIGHTS:

- Change of our largest International partner will drive a positive uplift in trading going forward after revenues in the period were negatively impacted by the transition
- Four new stores opened and two relocated to larger shops in our new design format with two United Kingdom store closures and one Republic of Ireland (ROI) store closure during the period
- QUIZ's store estate comprised 64 stores in the United Kingdom and 4 in the ROI at the end of the year (2023: 62 in the UK and 6 in the ROI)
- As previously reported, following a period of difficult trading, the Board led by Non-Executive Chairman Peter Cowgill, initiated a thorough review of the strategic options available to the Group. This process was focussed upon evaluating a broad range of options to maximise shareholder value. As part of this review, Sheraz Ramzan was appointed as Chief Executive Officer on 28th March 2024, shortly prior to the end of the Period. The Board believes Sheraz brings a fresh approach along with extensive experience and knowledge of the business

POST YEAR END TRADING AND OUTLOOK:

- Further to appointment of Sheraz Ramzan as Chief Executive Officer, a turnaround strategy to return the business to profitable growth is being implemented. The strategy is focussed on ensuring the business leverages its core strengths being:
  - A well-established omni-channel model which provides a platform for long-term success
  - The distinctiveness of the QUIZ brand which is known for its occasion wear and dressy categories
  - The store portfolio which provides significant opportunities for customer engagement
  - An international model which provides the opportunity for low-risk, capital light growth opportunities
- To support the turnaround strategy, a series of key operational initiatives are being implemented to improve the Group's performance, including:
  - Reviewing and having greater clarity on QUIZ's target customer and updating the brand identity to re-align our Marketing and Buying and Merchandising activities;
  - Restructuring the Buying and Merchandising function to provide a clearer focus on developing product and pricing strategies, which includes the recruitment of a new Head of Merchandising as well as increasing the resource available to our Buying Team;
  - Fresh marketing approach to elevate the brand, including creating a more aspirational image through refreshed social media activity;
  - Expanding the distribution channels available to the business including the re-launch of QUIZ on Debenhams.com and associated websites; and
  - Leveraging off the newly introduced omni-channel system to better service customers including the option to offer same day click and collect functionality across the store estate.
- Bank facilities of £4 million renewed post year end (subject to renewal on 30 June 2025)
- Discussions have commenced with Tarak Ramzan, the Company's founder and largest shareholder with regards to the provision of a £1 million loan facility to provide additional liquidity headroom for working capital purposes
- Total liquidity headroom at 28 August 2024 of £2.3 million, being a cash balance of £0.4 million and £1.9million of undrawn banking facilities
- Consistent with the Group's Trading Update on 27th June 2024, revenues in the four months to 31 July 2024 decreased 11% on the prior year to £27.3 million
- In recent weeks there are 'green shoots' from a number of the initiatives outlined above to improve business performance with an improvement across in-store and online revenues relative to previous months
- The Board expects the trading environment in H2 to remain challenging, albeit the Group has softer comparatives in the second half of the financial year. There remains uncertainty with regards to consumer demand and inflationary cost pressures, but the Board are targeting an improvement in financial performance through increasing revenues and continued cost controls
- Despite the macro-economic challenges, the Board is confident that the Group's turnaround strategy led by the new CEO will improve QUIZ's performance and return the business to profitable growth in the medium-term

AT A GLANCE

Omni-channel Fashion

QUIZ is an omni-channel fashion brand, specialising in occasion wear and dressy casual wear. QUIZ delivers a distinct proposition that empowers its fashion-forward customers to stand out from the crowd. QUIZ operates through an omni-channel business model, which encompasses online sales, standalone stores, concessions, international franchises and wholesale arrangements.

CORE STRENGTHS

BRAND

We have an established and distinctive brand proposition enabling QUIZ to expand across product categories and distribution channels.

SUPPLY CHAIN

Our infrastructure and supply chain which allows us to source clothes in a responsible and ethical manner are proven.

EXPANDING ONLINE CUSTOMER NUMBERS

Sales growth through QUIZ's online channels remains a key priority with key drivers being increased awareness of our brand driven by effective marketing, the strength of our products and collections, increased online traffic and increasing the number of active customers.

INTERNATIONAL POTENTIAL

QUIZ continues to see positive reactions to the brand across international markets. QUIZ's mix of casual and occasion wear can be tailored for each market and the Group's flexible approach to its route to market remains beneficial.

OUR BRAND

QUIZ's buying and design teams constantly develop their own product lines, ensuring the latest glamorous looks at value prices. Our flexible supply chain, together with the winning formula of style, quality, value and speed to market has enabled QUIZ to grow rapidly into an international brand with standalone stores, concessions, franchise stores, wholesale partners and international online partners.

- We were founded in 1993 and employ more than 900 people
- We have a very broad customer demographic; our core customers are 18 to 40-year-old fashion-forward females
- We are a destination brand for fashion-conscious women looking to dress for some of the most memorable occasions of their lives
- Our supply chain means we can respond quickly to changing styles and trends
- We market the QUIZ brand creatively and continue to increase our social media following as a result
- We have seen the brand establish itself in different markets with the core QUIZ offering being complemented by country-specific products where appropriate

OUR CUSTOMERS

QUIZ is increasingly recognised by a broad customer demographic as an international fashion brand that empowers fashion-forward women looking for the latest styles, footwear and accessories to help them elevate every occasion and stand out from the crowd.

Understanding our customers, their lifestyles and their product needs remains a core element of our business. Our clear customer strategy – coupled with our customer-first approach to everything we do – continues to help significantly increase awareness of the brand.

The QUIZ brand continues to have strong customer appeal. This is evident through the continued strong demand for new product. We are highly responsive to what customers want, and our flexible omni-channel business model enables us to quickly respond to new trends. Our customers know that with QUIZ they can shop a wide selection of exclusive and quality styles at value-for-money prices.

Research has shown us that our brand appeals across a broad age range. This customer insight continues to drive our marketing investment, social media content and product design and buying.

FUTURE DEVELOPMENTS

Our longer-term objective remains to secure profitable growth as we expand the QUIZ brand.

- Expansion of current website through new ranges and increased options
- Extend our store network with flexible leases preferably with rental charges related to revenues generated
- Multi-channel expansion in new markets

UK

- 64 standalone stores
- 57 concession outlets
- Own website
- 3 online partners

EUROPE

- 4 standalone stores in Ireland
- 20 concession outlets in Ireland

AMEA

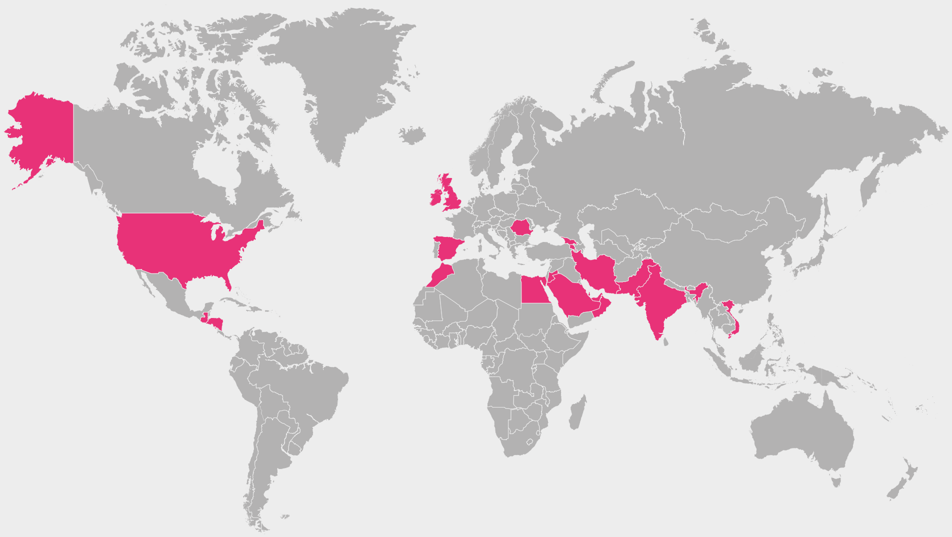
- 142 points of sale through franchise stores and wholesale partners
- Sales to 10 countries during the year

USA

- Wholesale to department stores
- Web sales to department store customers serviced through a third party logistics provider

OUR EXISTING GLOBAL PRESENCE AS AT 31 MARCH 2024:

Our flexible business model allows us to adopt the most appropriate approach in each market.



CHAIRMAN'S STATEMENT

Addressing challenging trading conditions

PETER COWGILL

INDEPENDENT NON-EXECUTIVE CHAIRMAN

INTRODUCTION

The Group's disappointing financial results for the year ended 31 March 2024 reflect the impact of inflationary pressures on consumer confidence and spending. This has led to a reduction in revenues during the year. Despite management controlling costs tightly and improving the gross margin percentage generated, the Group incurred losses in the year.

As previously reported, following a period of difficult trading, the Board initiated a thorough review of the strategic options available to the Group. This process was focussed upon evaluating a broad range of options to maximise shareholder value.

As part of this review, Sheraz Ramzan was appointed as Chief Executive Officer and QUIZ is now focused upon implementing a turnaround strategy to move the business back into profitable growth. This will be underpinned by a focus on recalibrating the QUIZ brand, its product offering and reconnecting with consumers.

Moving forward we will focus more on QUIZ's core strengths while also exploring opportunities to expand our product offerings. Our trademark occasion and dressy wear for social events has always been central to the QUIZ brand, however we acknowledge that we must better leverage this product focus and connect with customers more effectively. In doing so becoming better known as a go-to brand for great value, stylish options for a variety of social occasions including lunches with friends, a day at the races, Christmas parties or weddings.

QUIZ has prided itself in providing a good value option to our customers who continue to show a preference for newer full priced product. The offering in store and online over recent years has sometimes been impacted by too much discounted stock. We are focussed on reducing the amount of promotional activity across the business and the volume of older stock held by concentrating sale stock in a selected number of clearance outlets. This will allow the remainder of the estate to focus more on driving full price sales.

I am also encouraged by steps that have been taken to restructure our Buying and Merchandising function, including the recruitment of a new Head of Merchandising as well as increasing the resource available to our Buying Team. In addition, the increased clarity on who the QUIZ customer is will enable us to present more focused products to customers supported by more relevant marketing campaigns.

Our store portfolio continues to provide a positive option to engage with customers. This reflects the well-located nature of our store estate as well as customers' desire to interact directly with the brand whether that be through purchasing in-store, utilising our click and collect in store service, ordering in-store, or exchanging/returning to store.

I would like to take this opportunity to thank the Group's management team and all colleagues across the business for their continued commitment and hard work during this challenging year and I am confident that they will continue to work diligently to implement our turnaround plan.

BOARD CHANGES

In March 2024, Tarak Ramzan, founder of the business, stepped down as CEO and was succeeded by Sheraz Ramzan, former Chief Commercial Officer. Having worked with the business since 2004, Sheraz has extensive experience and knowledge of the business and he brings a fresh approach to implementing the required turnaround strategy to return the business to profitability.

Tarak, as the largest shareholder of the Company, agreed to assume a Non-Executive Director role going forward and we are pleased to have access to his continued support and input.

In November 2023, Charlotte O'Sullivan, who had been a Non-Executive Director since the Group's IPO in 2017, stepped down from the Board. I would like to recognise Charlotte's significant contribution to the Group. Further to this departure, the Board continues to give consideration to the appointment of one additional independent Non-Executive Director and will provide an update in due course.

“Despite the current macro-economic challenges, the Board is confident that the Group’s turnaround strategy led by the new CEO will improve QUIZ’s performance and return the business to profitable growth in the medium-term.”

ESG AND OPERATING AN ETHICAL SUPPLY CHAIN

The Board continues to prioritise ensuring that the Group has an ethical and responsible supply chain that all QUIZ’s stakeholders are proud of. The Group is committed to continuing to invest in this critical area of the business to ensure that the Group’s systems remain robust and that the Group’s strict Ethical Code of Practice is always adhered to by all QUIZ suppliers.

There is an ongoing programme in place to ensure that all our products are supplied in line with our Ethical Code of Practice. Regular supplier visits continue to be conducted and processes are in place to allow for clear visibility across the Group’s supply chain. The Board remains resolutely committed to ensuring the Group’s systems, processes and culture are fit for purpose to assure compliance in this area.

DIVIDENDS

The Board does not recommend the payment of a final dividend (2023: £nil).

The business will remain focussed on delivering a sustainable profitable performance, subject to which the Board would anticipate reinstating dividend payments.

OUTLOOK AND CURRENT TRADING

Subsequent to the year end, QUIZ continue to be impacted by inflationary pressures impacting consumer confidence. The Board is focussed on reinvigorating Quiz and securing a return to revenue growth and profitability. Under our new CEO, a number of initiatives to improve business performance have commenced which have shown initial progress with recent weeks having seen an improvement in store and online revenues relative to previous months.

International revenues have been consistent year-on-year and revenues from our own stores have been broadly comparable with the prior year on a like-for-like basis in the first four months of FY25. Online sales continue to be impacted by the challenging retail environment.

The Group has generated sales of £27.3 million in the four months to 31 July 2024, broken down across the Group’s channels as follows:

	I April to 31 July 2024	I April to 31 July 2023	Year-on-year change
Online	**£7.4m**	£9.2m	-19.6%
UK stores and concessions	**£13.9m**	£15.6m	-10.9%
International	**£5.9m**	£5.9m	-
Total	**£27.3m**	£30.7m	-11.1%

Gross margins are in line with expectations and are broadly consistent with the previous year with full priced sales increasing by 3% year-on-year. The business continues to actively manage the increased cost pressures affecting the wider retail sector, including the impact of higher payroll costs further to the increase in National Living Wage.

Given the uncertain economic outlook, sustained and significant improvement in business performance will take time to be realised. These improvements are likely to take time to impact upon revenue and profits so costs control and careful working capital management remains key in securing future growth.

Whilst the Group looks to successfully implement its turnaround plan it also remains committed to reviewing other potential strategic options that may be available.

Despite the current macro-economic challenges, the Board is confident that the Group’s turnaround strategy led by the new CEO will improve QUIZ’s performance and return the business to profitable growth in the medium-term.

PETER COWGILL

Non-Executive Chairman

CHIEF EXECUTIVE'S REPORT

Focussed on improving business performance

SHERAZ RAMZAN
CHIEF EXECUTIVE

INTRODUCTION

I am pleased to present my first report as Chief Executive further to my appointment to the role towards the end of the Financial Year on 28 March 2024. I would like to express my thanks to Tarak Ramzan, my predecessor, who helped establish the QUIZ brand in 1994 and successfully developed the business since that date. I look forward to his continued support through his role as a Non-Executive Director.

The past year, has been challenging with the decline in consumer confidence impacting each of our revenue streams as shown below:

Having been involved in the business for several years, I am confident in what I believe are our core strengths, and these will underpin our future success:

- The distinctiveness of the QUIZ brand which specialises in occasion wear and dressy categories and resonates with a broad age range of customers
- Our well-established omni-channel model
- Our store portfolio which provides significant opportunities for customer engagement
- An International model which provides the opportunity for low-risk, capital light growth opportunities

Despite these fundamental attributes, we acknowledge there are areas where we must improve our performance to succeed in what is a highly competitive market. Since assuming the role of CEO, we have identified the following key strategic areas to focus on in order to improve our performance:

1

RECONNECTING WITH CONSUMERS ACROSS OUR OMNI-CHANNEL MODEL

A key strength of our business which has the potential to provide additional benefits to the Group is our distinctive brand and well-established omni-channel footprint to reach consumers.

The Group believes that stores and concessions with appropriate cost bases will continue to make a positive contribution going forward. We will also continue to undertake initiatives to promote footfall into stores including trialling the introduction of new product categories in store as well as increasing the range of sizes available in store complementing the broader range of sizes available online.

QUIZ's online channel provides the potential for significant long-term growth. Online sales continue to be focussed upon demand for occasion wear and dresses and reflect the brand's long-established reputation with these products.

	FY 2024	FY 2023	Year-on-year change	Share of revenue 2024	Share of revenue 2023
UK stores and concessions	**£41.7m**	£45.5m	- 8%	50.8%	49.6%
Online	**£24.5m**	£29.8m	- 18%	29.9%	32.5%
International	**£15.8m**	£16.4m	- 4%	19.3%	17.9%
Total	**£82.0m**	£91.7m	- 11%		

"We have identified clear strategic priorities and are already making progress against these. I believe in our fundamental attributes as a business and brand and that our strategic plan will return the Group to profitable growth in the medium term and maximise shareholder value."

Given the long-term trends we have seen towards increased online shopping, we continue to believe that with the correct product offering QUIZ's online channel offers significant long-term profitable growth potential for the Group. We will also continue to develop attractive online partnerships which provide greater exposure for the QUIZ brand and, following the year end, we were pleased to recommence sales through Debenhams.com. We also plan to launch our own Tik Tok shop in the near future.

In addition to the above, we have begun implementing a number of other initiatives to better cater to our customers' demands:

- **Click and collect** – in February 2024 we introduced a new sales and stock system, and we are now trialling the option for customers to place an order online for stock held in store to collect within three hours in select stores. This ensures stock availability for the customer, the dispatch of online sales from stores and will provide a unified view of inventory and the basis for improved stock utilisation across the business.
- **Flexible payment options** – we introduced Klarna a payment option in stores to boost conversion rates and average transaction values, whilst providing customers with greater flexibility to manage costs as pressures on consumer spending persist.
- **Loyalty program** – later this year we plan to launch a new loyalty program to complement our VIP delivery scheme, to reward customers for their purchases and encourage more frequent spend.

2

ELEVATING THE QUIZ BRAND

QUIZ is a distinctive fashion brand which, over many years, has developed a specialisation in occasion wear and dressy casual wear for women. QUIZ's core business continues to deliver a differentiated proposition that empowers fashion-forward females to stand out from the crowd. Our brand proposition is underpinned by providing great value rather than delivering the cheapest price possible.

The QUIZ brand continues to resonate with a broad age range of customers. Our core customer group is aged between 18 and 40 with this breaking down to those customers over and under 25 who have different product preferences. Going forward, we will have increased focus on our core customer groups giving us greater clarity as to who we are buying for and how they should be marketed to. Our purchasing will be clearly focussed upon appealing to these demographic groups with distinct marketing approaches to those below or above 25.

Our marketing activity in the last year utilised a pipeline of celebrity and influencer activity across the year which was supplemented with digital marketing and offline activity to push the QUIZ brand to the forefront of our target customers' minds.

Going forward we will look to enhance and elevate the presentation of the QUIZ brand across all relevant customer touch-points with a focus on making it more aspirational for our customers.

Part of this process includes refreshing our various social channels to support this fresher approach and to present the brand more positively. This approach will focus on unique QUIZ content to improve customer attachment and engagement. The focus is upon presenting the QUIZ brand positively to potential new customers as well as improving the brand loyalty and affinity of our existing customers.

We will undertake more marketing to raise brand awareness as well as a broader range of more innovative marketing initiatives, including leveraging our omni-channel model to host influencer activity and social events at our flagship stores with a view to driving traffic both in-store and online.

The above activity will be conducted by reallocating existing marketing spend which has been to date primarily focussed on digital marketing activities.

3

RECALIBRATE OUR PRODUCT PROPOSITION

QUIZ's established strength is its offering on trend product for social activities ranging from lunch with friends through to attending weddings.

The business has a well invested infrastructure and a proven successful supply chain which allows us to source clothes in a responsible and ethical manner. This allows for the business to respond to customer demands and to provide on-trend product whether it be influenced by social media, the catwalk or television.

QUIZ continues to introduce new products to meet customer demand as trends emerge throughout the season. The Board believes this remains an important component for success.

Since the year end we have been restructuring our Buying and Merchandising team to inject new talent and ideas. To date this process has included the appointment of a new Head of Merchandising as well as recruiting additional talent into the Buying team with a focus on expanding product ranges and optimising category mixes.

We will be focussed on taking advantage of established product strengths, as supported by our customer feedback, with a focus on evening and occasion wear along with clubby and dressy casual wear.

This will include improving our category optimisation through initiatives such as extending size ranges, enhancing quality, refining our pricing architecture and improving margins through reduced markdowns.

We continue to work to broaden our supply base to help reduce any dependency on any one particular supplier or region. Our supply chain and ability to constantly refresh products for sale in store and online are strong competitive advantages.

CHIEF EXECUTIVE'S REPORT CONTINUED

4

SELECTIVE INTERNATIONAL GROWTH POTENTIAL THROUGH CAPITAL LIGHT MODEL

Our experience has shown that the QUIZ brand can flourish in international markets when supported by the right local partner. Our mix of casual and occasion wear can be tailored for each market and our flexible routes to market have been beneficial.

We will continue to expand our international reach with a highly targeted strategy through a capital light model, working with successful and ambitious local partners. We are actively identifying opportunities to extend our sales through low-cost international expansion through online, consignment and concession routes to market.

The Middle East is the largest region for QUIZ internationally. We have a positive trading relationship with Al Shaya, who operate concessions in Debenhams stores, across the United Arab Emirates, and provides the basis for future growth in these markets.

Towards the end of the Financial Year in March 2024 we completed the smooth transition of switching our largest international territory to a new partner. Our business in Saudi Arabia switched to Al Othaim and our 15 stores transferred to them. Our relationship with Al Othaim has started positively contributing to an uplift in International revenues post year-end. In addition we have agreed a program of refurbishment for several of our Saudi Arabian stores and to open five new stores by the end of FY25.

In the transition, revenues from the previous partner were impacted as reduced levels of stock was transferred to them in the second half of the year. This reduction in revenues was the primary factor for the overall decline in International revenues in the year.

The US is another important market internationally. We have been working with a new partner who is facilitating growth through holding stock on consignment and undertaking direct deliveries on our behalf to consumers of Macys and Nordstrom. We look forward to this business developing further. In addition, we have commenced deliveries on a wholesale basis to a new department store customer which provides further growth opportunities.

5

MANAGING COSTS

Given the decline in revenues in the year there has been an increased level of discounted stock and promotional activity in store and online which detracts from the presentation and promotion of full price product. As part of the transition towards a more full-priced stock strategy subsequent to the year-end we have undertaken discounting activity and have to date sold over 300,000 units of our aged stock. Going forward we are targeting more focussed activity for the clearance of discounted product either through short promotions in store or through channelling discounted product to designated clearance shops to allow for an increased focus on full price product where appropriate.

Whilst inflationary pressures have eased we continue to encounter cost pressures in relation to product and fluctuations in shipping costs. Given this we have adjusted prices to maintain our gross margin whilst looking to broaden the range of prices offered to customers so they have a wide range of options suitable for their budgets.

During the year we completed the previously announced investment at our Distribution Centre which was focussed on accommodating more efficient working practices. This work provided a new mezzanine level to increase storage space and an improved layout at a cost of £1.3 million.

We will continue to regularly review our cost base to ensure it is appropriate for the revenues that will be generated going forward.

STRATEGIC KPIS

	FY 2024	FY 2023	Change
Active customers	**521,000**	642,000	-19%
Online sales as a % of turnover	**29.9%**	32.5%	-3%
International outlets serviced	**142**	90	+58%
UK retail space – square footage	**129,000**	145,000	-11%

THE QUIZ COMMUNITY

I would like to thank all my colleagues for their hard work and contribution in the last financial year. I appreciate the commitment and professionalism shown by our colleagues across our stores and concessions, distribution centre and head office through these difficult times. I am confident that we have a strong team and that our plan to turnaround our business is the right one.

I would also like to thank our suppliers, business partners and customers for their continued support, allowing the business and brand to approach the future with confidence.

Whilst the environment remains challenging and there is much to do to improve QUIZ's performance, I am optimistic for the future as we drive the QUIZ brand forward with renewed energy and exciting initiatives. We have identified clear strategic priorities and are already making progress against these. I believe in our fundamental attributes as a business and brand and that our strategic plan will return the Group to profitable growth in the medium term and maximise shareholder value.

SHERAZ RAMZAN
Chief Executive

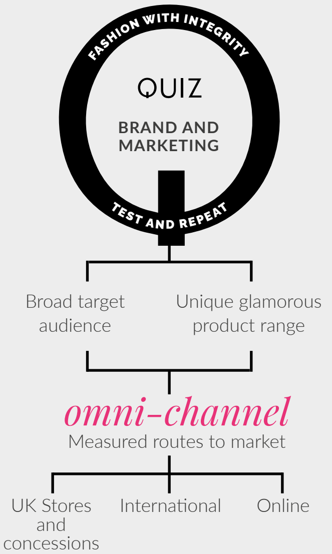
OUR BUSINESS MODEL

We believe QUIZ's future success will be built upon its brand and route to market.

QUIZ'S APPROACH

The QUIZ brand provides our customers the opportunity to elevate every occasion and to stand out from the crowd with our unique proposition of occasion wear and dressy casual wear. Our customer first approach provides fashion-conscious woman across a broad demographic with the opportunity to dress for all social occasions whether it be for lunch with friends, on holiday or attending weddings and other formal events.

Our omni-channel business model allows for customers to engage with the QUIZ brand wherever is most convenient whether that be in store, online or through on of our third-party partners.



QUIZ'S STRENGTHS

Our Integrity
At QUIZ, we recognise the importance and long-term benefits of acting as a responsible company in everything that we do whether in partnering with our suppliers, managing and reducing our impact on the environment; or providing a positive environment for both our employees and the local communities in which we operate.

Our Systems and Infrastructure
We distribute through a mix of our own stores and website as well as concessions and third-party websites. We have a well invested infrastructure that allows us to efficiently service our customers however they engage with QUIZ and to facilitate substantial growth in the future.

Our People
Our people are key to the success of QUIZ. Their commitment has remained consistent and valuable through the challenging trading conditions in the past year. We pride ourselves on the number of experienced employees who continue to work with QUIZ and the opportunities that are provided to new employees to develop their skills and careers.

Our Values
We have a clear customer strategy which is focussed on a customer-first approach in everything we do. This is the clear priority for the business and this can only be maintained by engaging equitably across all of our stakeholders.

DELIVERING VALUE

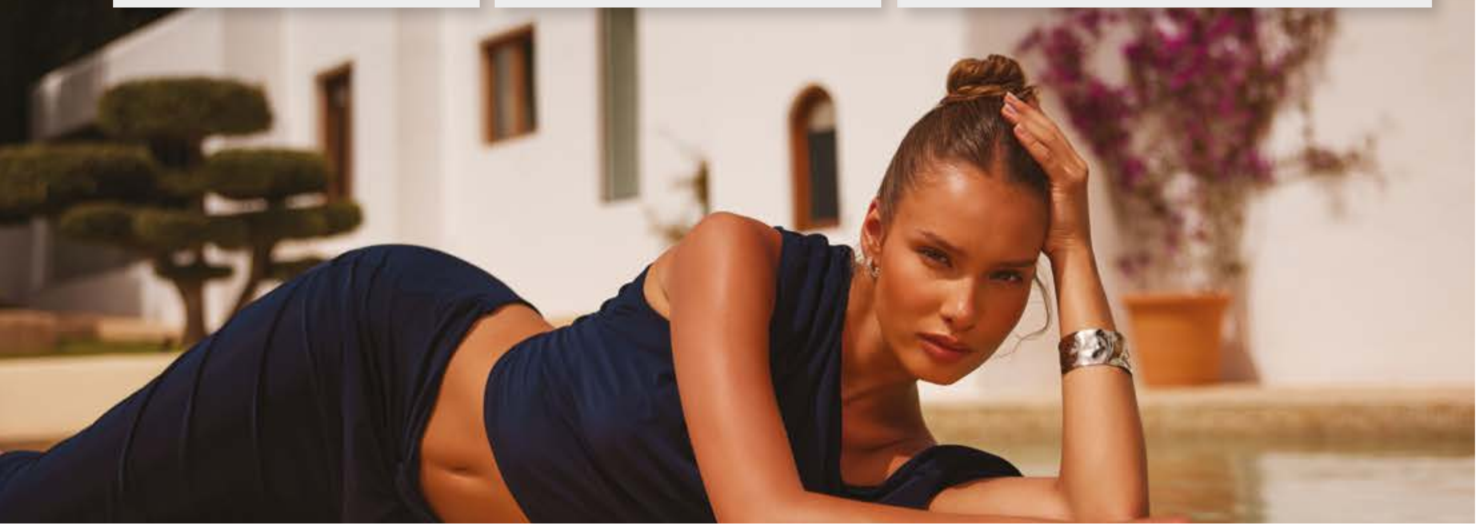
Employees
We recognise the need to attract, retain and develop employees in each area of the business. With over 900 employees, we look to ensure that the rewards and benefits provided remain competitive and that career progression opportunities are available across the business.

Customers
Our customers look to QUIZ to provide great value fresh product offerings on a regular basis. New product is introduced on a weekly basis and our prices are reviewed to ensure that they continue to be appropriately priced. In addition to promoting the QUIZ brand to attract new customers, we reach out to our existing customers with promotional offers and notifications of new product to ensure they are retained as an active customer.

Suppliers and Partners
Our suppliers and partners are critical to our future success. We have suppliers in the UK and internationally. Our partners extend to department stores and third party websites in the UK as well as other partners across 19 countries. The financial stability and opportunities for future growth provides our suppliers and partners the opportunity to develop their own businesses and financial returns.

Community
We look to create a positive impact on the communities in which we operate. We work with our suppliers to ensure that our products are made with care, consideration and respect. We are focussed on minimising our environmental impact by managing and reducing our emissions and other waste.

Shareholders
We have a small number of large shareholders, including institutional shareholders as well as the founders of the business, along with many other individual shareholders. We appreciate their support and we are focussed on providing investment growth for our shareholders by increasing profitable revenues.



FINANCIAL AND BUSINESS REVIEW

Focussed on improving profitability and managing the cash position

GERARD SWEENEY
CHIEF FINANCIAL OFFICER

GROUP OVERVIEW

The financial performance of the business has been impacted by the widely reported challenging trading conditions further to consumer confidence being eroded by inflationary pressures. This has led to a reduction in traffic in-store and online leading to lower revenues across each area of our business during the year. Whilst a higher gross margin percentage was generated and operating costs reduced this was not sufficient to offset the contribution lost from the drop in revenues. As a result a loss was recorded in the year.

Group revenue decreased 11% to £82.0 million (2023: £91.7 million). Further to this decrease in revenues, an operating loss prior to non-recurring administrative costs of £4.4 million was incurred (2023: £2.5 million profit).

FINANCIAL KPIs

	FY 2024	FY 2023	Change
Revenue	**£82.0m**	£91.7m	- 10.6%
Gross margin	**62.2%**	61.6%	+ 0.6%
EBITDA %	**1.1%**	6.8%	- 5.7%
Cash (outflow)/inflow from operating activities	**-£0.9m**	£5.9m	- £6.8m

EBITDA decreased to £0.9 million (2023: £6.2 million) which represented an EBITDA margin of 1.1% (2023: 6.8%). Group loss before tax was £6.7 million (2023: Profit of £2.3 million). The loss per share was 5.05 pence (2023: Earnings per share of 1.64 pence).

Bank borrowings net of cash at the year-end amounted to £2.0 million (2023: cash net of borrowings of £6.2 million).

REVENUE

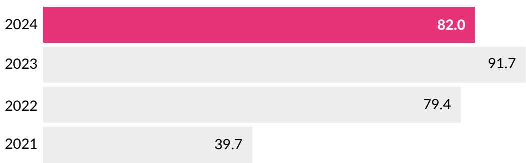
Group revenue decreased by 11% to £82.0 million from £91.7 million in 2023, with our three revenue channels shown below:

	FY 2024	FY 2023	Year-on-year change	Share of revenue 2024	Share of revenue 2023
UK stores and concessions	**£41.7m**	£45.5m	- 8%	50.8%	49.6%
Online	**£24.5m**	£29.8m	- 18%	29.9%	32.5%
International	**£15.8m**	£16.4m	- 4%	19.3%	17.9%
Total	**£82.0m**	£91.7m	- 11%		

REVENUE

£82.0m

- 10.6%



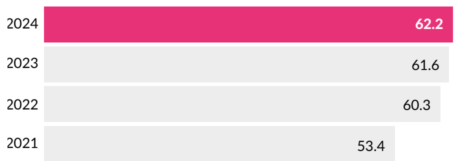
Definition:
Online, UK stores and concessions and International revenues

Performance:
Revenues declined across each business channel as a result of a decline in consumer confidence caused by the general economic conditions.

GROSS MARGIN

62.2%

+ 0.6%



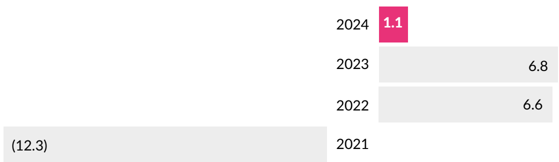
Definition:
Maintaining overall product profitability whilst executing the Group's growth strategy

Performance:
Strong demand for full priced product continued during the year which was encouraging given the reduction in demand.

EBITDA

+1.1%

- 5.7%



Definition:
How we are controlling profitability and operating costs across the business

Performance:
The 11% fall in revenues lead to a drop in the EBITDA % generated which was only partially offset by a 0.6% improvement in gross margin.

CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

-£0.9m

- £6.8m

Definition:
The conversion of profits into cash available to the business

Performance:
EBITDA converted into cash with the movement in working capital resulting in a £1.1m cash outflow.

FINANCIAL AND BUSINESS REVIEW CONTINUED

UK stores and concessions

Sales in the Group's UK standalone stores and concessions decreased 8% to £41.7 million (2023: £45.5 million). The decline was largely attributable to a drop in footfall across our store estate with conversion rates and the average transaction value remaining consistent year on year.

During FY24, new stores were opened in Southampton, Plymouth, Fareham and Liverpool. In addition, one of our flagship stores at Braehead, Glasgow, as well as our Grimsby store were relocated during the year. We closed our store in Ayr and our Bluewater store closed in March 2024.

Further to the above changes the number of UK stores operated at the end of the year amounted to 64 (2023: 62) with an average lease length amounted to 25 months (2023: 24 months).

Subsequent to the year-end work on relocating our Trafford Park store was completed and the new store was opened in May 2024 and our stores in Cambridge, East Kilbride and Westfield Stratford were closed as part of our active management of our store portfolio.

Our Concessions continue to provide a flexible and capital light route to market. During the year, ten concessions were closed and no new concessions were opened, resulting in a reduction in the number operating at 31 March 2024 to 57 (2024: 67).

As a result of these changes, total selling space across the stores and concessions at 31 March 2024 decreased by 11% to 129,000 sq. ft. (2023: 145,000 sq. ft.).

Online

In FY 2024, the decline in revenues reflected the impact of lower traffic to the QUIZ site reflecting the reduced consumer demand. Partially offsetting this decline was an improvement in the average transaction value and conversion rate year on year.

The business continues to sell its product through a number of selected third-party websites through a combination of consignment and wholesale arrangements. In the past year sales through these partners amounted to 34% of online revenues (2023: 30%). Subsequent to the year end the Group has recommenced sales through the Debenhams and other related websites.

Revenues from QUIZ's own website fell 23% and it contributed 66% of total online sales (2023: 70%). Sales through third-party websites declined by 8% in the year with a number of changes in the partners serviced occurring in the year.

The impact of the reduced demand during the year was reflected in the number of active customers at 31 March 2024 which decreased 16% in the year to 521,000 (2023: 642,000).

Further to the above online sales in the year represented 30% of QUIZ's Group revenue (2023: 33%).

International

International sales include revenue from QUIZ standalone stores and concessions in the Republic of Ireland and franchises in 15 countries.

As with the UK sales, International revenues were impacted by the increased cost of living impacting demand leading to a 4% fall to £15.8 million (2023: £16.4 million).

Revenues in the Republic of Ireland decreased 22% in the year to £5.0 million (2023: £6.4 million) further to the closure of two of the six stores and a general decline in demand. At 31 March 2024 the business operated 4 stores and 21 concessions in Ireland (March 2023 – 6 stores and 18 concessions),

Our franchise sales benefited from growth in revenues with a number of key partners which helped partially offset the negative impact on revenues as we transitioned to a new partner in Saudi Arabia. Further to this, revenues increased 8% to £10.8 million (2023: £10.0 million).

GROSS MARGIN

The gross margin percentage generated in the year increased from previous levels reflecting the consumer's preference for new full price product. In addition, a higher proportion of sales were generated through stores and concessions which are traditionally higher margin channels.

Further to these factors, the gross margin in the year increased to 62.2% (2023: 61.6%).

Promotional activity which is undertaken on a targeted basis increased subsequent to the year end to target the sale of excess stock that had accumulated during the year.

The Group remains focussed upon ensuring that forward commitments on stock are managed to allow the business to be responsive to changes in customer demand and that any slow moving stock is discounted at an early stage to help improve the turnover of stock.

During the year we continued to encounter increased product cost and fluctuations in the costs associated with shipment costs. Whilst we have marginally increased prices to maintain our gross margin, we continue to present a range of price points to customers to meet their price expectations.

Whilst freight costs have fluctuated during the year they are lower than previous levels which allows for more product to be shipped by air freight. Further to this, the product offering can be more responsive to trends and consumer preferences.

OPERATING COSTS

Whilst the Group's revenues decreased in the period there is a large fixed element to operating costs which restricts the reductions that can be made. In addition, costs continued to be impacted by inflationary pressures in the year. Recurring operating costs increased by 2% from £54.3 million to £55.6 million. Excluding depreciation charges recurring operating costs remained at a similar level at £50.3 million (2023: £50.5 million).

Recurring administrative costs increased by £2.5 million or 6% to £44.2 million (2023: £41.7 million). The most significant changes in costs included:

- A £1.9 million increase or 10% in employee costs reflecting increases in the amount paid as well as higher employee numbers year-on-year. The increase in employee costs is impacted by the 9% increase in the National Living Wage which has a knock on impact on other employees to maintain the differential in wages between roles;
- A £0.6 million or 33% increase in depreciation and amortisation costs (excluding depreciation charges in relation to leases for standalone stores which are reflected in property costs) to £2.4 million (2023: £1.8 million) which reflect the higher charges from the investment in new stores in the last two years as well as the spend of expanding capacity at the distribution centre in the current year; and
- A £0.3 million or a 10% decrease in marketing costs to £2.8 million in line with the decrease in revenues and as a result marketing investment as a proportion of Group sales for FY 2024 was maintained at 3.0% (2023: 3.0%).

Subsequent to the year end there continues to be pressure on payroll costs further to the increase in the National Living Wage and other associated increases. This will increase employee costs by circa £1.8 million in FY25.

Further to the decline in revenues and profitability, retail store and other assets were subject to an impairment review based on whether current or future events and circumstances suggested their recoverable amount may be less than their carrying value. As a result of this exercise, the Group recorded a £1.5 million non-recurring administrative charge, comprising £0.4 million relating to the impairment of right-of-use assets, £0.9 million for the impairment of plant, property and equipment and £0.2 million for the impairment of intangible assets.

Distribution costs decreased 9% to £11.4 million (2023: £12.5 million) and is reflective of the lower revenues generated in the period.

Included in distribution costs are commission payments to third parties which sell product on behalf of QUIZ. These decreased as a result of the lower revenues generated through concessions and International franchise partners.

Also reflected in the decrease in distribution costs are carriage costs to stores, concessions and franchises as well as to online customers. These costs were consistent year on year.

OTHER OPERATING INCOME

Other operating income of £0.2 million (2023: £0.2 million) was generated in the period. The current year income relates to the recovery of certain balances owed to the Group by a previous subsidiary which entered into administration in June 2020. The prior year income arose from the disposal of inventory which was no longer appropriate for sale through our existing revenue channels.

FINANCE COSTS

The net finance cost of £0.8 million (2023: £0.2 million) primarily relates to interest costs arising on the lease payments for stores in accordance with IFRS 16.

TAXATION

In the current year the Group recorded an income tax credit of £0.4 million (2023: income tax charge of £0.3 million) which represents a reported tax credit rate of 6.7% (2023: tax charge rate of 11.3%).

As at 31 March 2024 the deferred tax asset amounted to £1.1 million (2023: £1.0 million). This balance reflects the anticipated future cash benefit to be derived from utilising previously generated tax losses and available capital allowances in excess of the recorded net book value.

The remaining unrecognised deferred tax asset at 31 March 2024 amounts to £1.9 million (2023: £0.5 million).

EARNINGS PER SHARE

The basic loss per share for 2024 was 5.05 pence (2023: earnings per share of 1.64 pence).

DIVIDENDS

No dividend was paid during the year (2023: £nil). Given the recent financial performance, the Board does not recommend the payment of a final dividend.

CASH FLOW AND CASH POSITION

As at 31 March 2024, the Group had £2.0 million of total liquidity headroom, being a cash balance of £0.3 million and £1.7 million of undrawn bank facilities (31 March 2023: £8.3 million of total liquidity headroom).

On 28 August 2024 the total liquidity headroom available was of £2.3 million, being a £0.4 million cash balance and £1.9 million of undrawn bank facilities.

The £4.0 million of bank facilities available to the Group were renewed subsequent to the year end. These facilities will expire on 30 June 2025. There are no financial covenants applicable to these facilities.

In addition, discussions have commenced with Tarak Ramzan, the Company's founder and largest shareholder, with regards to the provision of a £1.0m loan facility to provide additional liquidity headroom for working capital purposes. The terms of the loan facility will be subject to an independent review (and will constitute a related party transaction for the purpose of the AIM rules) in order to ensure that they are on an arms-length basis before they can be approved by the Board's Independent directors. Details will be announced in due course in the event that terms are agreed.

Net cash flow from operating activities resulted in an outflow of £0.9 million (2023: inflow of £5.9 million). Reflected in this outflow of cash is a £1.5 million working capital outflow (2023: outflow of £0.9 million). The outflow arose due to an increase in receivables of £2.5 million and a decrease in payables of £0.1 million offset by a decrease of £1.1 million in inventories.

Spend on property, plant and equipment and intangible assets amounted to £4.0 million and £0.6 million respectively (2023: £2.0 million and £0.5 million).

Included in property, plant and equipment was investment in new or relocating stores amounting to £1.7 million in year, arising from four new stores and two relocations during the year and spend on a further store relocation completed shortly after the year end. In addition, £1.3 million was spent on an expansion of our distribution centre which has increased its capacity.

Borrowings of £2.3 million comprise of £1.7 million of loans, being amounts drawn down on the Group's working capital facility, and a £0.6 million overdraft balance (2023: £1.4 million of loans drawn down). Both balances are repayable in less than one year. The borrowings drawn in the year represents the movement in the loan balances.

The payment of lease liabilities amounted to £2.9 million (2023: £1.8 million) and reflects an increase in the number of leases subject to fixed rental payments. Given a number of existing leases were renewed or entered into during the year, including those relating to four new stores, the amounts outstanding in relation to lease liabilities increased to £9.9 million (2023: £6.9 million).

FOREIGN CURRENCY HEDGING

The Group currently undertakes foreign exchange transactions.

The primary outflow of foreign exchange relates to the purchase of stock, primarily in Chinese Renminbi. The primary inflow of foreign exchange relates to Euro denominated revenues generated in Ireland.

The Group manages the risk associated with foreign currency fluctuations through the use of forward contracts for the sale or the purchase of the respective currency for a period between six and twelve months in advance. We have currently hedged our expected currency outflows in respect of Chinese Renminbi for the remainder of the financial year to 31 March 2025.

GERARD SWEENEY

Chief Financial Officer

PRINCIPAL RISKS AND UNCERTAINTIES

Focussed risk management

RISK MANAGEMENT PROCESS

In order to help manage the Group's risks and uncertainties, the Board has delegated responsibility for monitoring the effectiveness of the Group's systems of internal control and risk management to the Audit Committee.

In addition, the Group has established a Risk Committee that includes the Chief Financial Officer and other senior management. The Risk Committee helps the Executive Board review the risk management and control process in each key business area on an ongoing basis and provides a platform for management to drive improvement across the business.

The Risk Committee considers:

- the identification, assessment and management of significant risks faced by the Group;
- the response to the significant risks which have been identified by management and others;
- the maintenance of a controlled environment directed towards the proper management of risk; and
- the annual reporting procedures.

On an annual basis the Board reviews the principal risks and uncertainties facing the Group and assesses the controls in place to mitigate any potential adverse impacts. This assessment is also undertaken whenever there is a perceived major change in the principal risks and uncertainties.

Accepting an appropriate level of risk is an integral part of realising any opportunity and reward, and it is only through effective internal management and controls that risk can truly form part of our decision-making process. Failure to identify and appropriately manage risk could prevent us from achieving our day-to-day objectives. Risk management is therefore critical to our day-to-day activities.

The following are considered to be the principal risks and uncertainties. The Board recognises that the nature and scope of risks can change and that there may be other risks to which the Group is exposed and so the list is not intended to be exhaustive.

The Corporate Governance Report includes an overview of our approach to risk management and internal control systems and processes.

An overview of the Group's risk management process is set out below:

PLC BOARD
Ultimately responsible for risk management

AUDIT COMMITTEE
Monitors the effectiveness of risk management and internal controls

EXECUTIVE BOARD
Oversees the risk management process and monitors mitigating actions

RISK COMMITTEE
Reviews and challenges key risks, associated controls and management action plans

RISK FRAMEWORK
Ensures consistent approach across the Group

WIDER BUSINESS
Contributes to assessment of actual and potential risks and how they should be managed

LINKS TO STRATEGY:

Online International UK stores and concessions

Risk and impact	Mitigation	Links to strategy
BRAND AND REPUTATIONAL RISK		
The Group's performance is influenced by the image, perception and recognition of the QUIZ brand. Failure to ensure that the brand continues to be innovative, relevant and respected would impact the business. Not only could our brand be undermined or damaged by our actions but also by those of our franchise partners or issues connected with product sourcing.	We carefully monitor the brand and its reputation with feedback closely monitored, with particular reference made to feedback provided through social media channels. New partners are carefully vetted prior to engaging with the business and our contractual arrangements help protect the brand's reputation.	Online, International, UK stores and concessions
DEVELOPMENT OF OVERSEAS MARKETS		
Failure to identify and maximise opportunities for international growth either through our franchise operations or ecommerce could have an adverse impact. Failure to identify appropriate franchise partners or failure to support these markets with systems and supply chain capability could result in not establishing the brand effectively in new markets. The failure of a franchise partner could impact the business through lost revenue and the failure to recover balances owed.	We perform extensive due diligence on all potential partners and territories to assess our appropriate routes to market. We are progressively operating in a range of international markets, which helps to mitigate over reliance on and exposure to any one territory. Our team of experienced buyers, merchandisers and designers allows for products to be tailored for each market as appropriate. Zonal pricing is adopted which allows the business to be competitive in each key market according to its circumstances. The credit risk associated with franchise partners is addressed through the provision of Standby Letters of Credit or the application of appropriate credit terms.	International
FASHION AND DESIGN		
As with all fashion brands there is a risk that our offer will not satisfy the needs of our customers or we fail to correctly identify trends. If new product ranges or styles fail to meet sales expectations, lower sales and market share could occur.	The QUIZ business model is based upon being reactive to customer demand with a "test and repeat" supply model that is able to quickly introduce new products based on identifying trends and the subsequent reorder of successful lines quickly. We have an experienced team of buyers, merchandisers and designers which closely follows changes in the market, consumer trends and fashion to ensure that we remain able to respond to changes in consumer preference. We have also invested in modern systems which provide detailed information on how consumers are responding to products which allows us to react accordingly.	Online, International, UK stores and concessions
CHANGING ECONOMIC ENVIRONMENT		
Broad changes to consumer spending or a deterioration in the economy could materially and adversely affect the Group's financial condition, operations and business prospects. In the UK, where the majority of the Group's revenues are generated, the current inflationary environment may continue to suppress consumer demand. In addition, the existing inflationary environment has the potential to impact the Group's input costs.	In the short term the brand's focus on providing a quality and value-for-money product ensures QUIZ appears as a viable option in the event of reduced overall expenditure. In the longer term the flexible business model, such as stores having short lease terms, provides the ability to direct resources to where is most relevant for the QUIZ customer. Increases in input costs are closely tracked and products sourced at appropriate costs or prices amended to allow products to be sold at the targeted margin.	Online, International, UK stores and concessions
COMPETITOR ACTIONS		
New competitors and existing clothing retailers will target our segment of the market. Existing competitors may increase their level of discounting or promotions resulting in QUIZ not being as competitive. In addition, competitors may expand their presence in new channels. These actions could adversely impact our sales and profits.	QUIZ differentiates itself from competitors with its strong brand and product offering. The Group is focussed on providing its customers with value for money offering and monitors competitor pricing to ensure that product is competitively priced. Our customer database allows for the Group to communicate effectively with customers which helps develop customer engagement and loyalty. We continue to invest in our online business to enhance our offering to customers.	Online, International, UK stores and concessions

PRINCIPAL RISKS AND UNCERTAINTIES CONTINUED

Risk and impact	Mitigation	Links to strategy
PRODUCT SOURCING		
We source product from a wide range of suppliers including a significant proportion from overseas. Failure to carry out sufficient due diligence on our suppliers, and to act in the event of any negative findings, especially in relation to ethical or quality-related issues, could adversely impact our brand and reputation.	The Group has a policy and process for undertaking due diligence on existing and new suppliers. This includes a review of compliance with laws and regulations and that our suppliers meet generally accepted standards of good practice. In addition, suppliers are required to sign up to the QUIZ Ethical Code of Practice. This process includes steps to ensure transparency of where products are produced and under what conditions. Ethical audits are undertaken across the product supply base supported by a third-party agency. The wide range of suppliers reduces any dependency on any one producer, minimising the impact of any need to terminate arrangements.	
LOSS OF KEY TRADING PARTNER		
There are a small number of third-party partners in relation to online, franchise and concession revenues. The loss of one or more of these partners would impact upon the business.	Trading relationships with all our partners are monitored on a regular basis to ensure they are profitable for both parties. If relationships are unprofitable, they are terminated. We have regular contact with our key partners to ensure our relationships continue to evolve. The continued growth and diversification of the business reduces the existing dependency and allows for new partners to be identified. Credit risk is managed through the use of a Standby Letter of Credit for a number of international customers.	
PHYSICAL INFRASTRUCTURE		
Damage to or the loss of our distribution facility could have a material impact upon the business and its ability to effectively service our customers. A similar event at the head office could impact the ability of the business to operate effectively.	Preventative measures are taken to minimise the risk associated with damage to or the loss of our distribution facility or head office. Business continuity of the head office functions would be preserved through working from an alternative facility. In addition, the Group maintains insurance cover at an appropriate level to protect against the impact of such an interruption.	
IT INFRASTRUCTURE AND CYBER SECURITY		
The Group's IT infrastructure is key to the operation of its business. Non-availability of the Group's IT systems, including the website, for a prolonged period or malicious attacks, data breaches or viruses could result in business disruption, loss of sales and reputational damage.	Arrangements are in place and continue to be strengthened with regards to key systems to allow for issues to be promptly addressed. For prolonged issues disaster recovery procedures minimise the risk of lost information and operational disruption. Access to systems is restricted to minimise the possibility of malicious attacks, data breaches or viruses. A regular assessment of vulnerability to malicious attacks is performed and any weaknesses rectified. The storage of personal data is tightly controlled in line with data protection guidelines and PCI requirements and to ensure compliance with GDPR. Employees are made aware of the Group's IT security policies and we deploy a suite of tools to protect against such events.	
INFRASTRUCTURE FOR ECOMMERCE SALES		
The business has rapidly grown its online sales and this is a key pillar for future growth. Failure to continue to develop personnel, systems and the product offering in this area could impact upon the existing business and the potential for growth.	The team associated with ecommerce sales has grown and we regularly identify what resource will be required to facilitate future growth. A budget is allocated to provide for capital investment in software and other initiatives to ensure the infrastructure supports future growth.	

LINKS TO STRATEGY:

Online International UK stores and concessions

Risk and impact	Mitigation	Links to strategy
PEOPLE		
Our success to date has been linked to the performance of our people, particularly in relation to key individuals. The failure to develop the capability and capacity of our people would impact upon the future development of the business.	We look to ensure that key individuals are retained through long-term incentive schemes and by providing competitive remuneration. We have developed each team within the business by appropriate recruitment and by looking to provide a structure that allows for future development.	
LOSS OF KEY STAFF		
The existing management team has contributed significantly to our growth and performance. The loss of a key individual could have a detrimental effect on our business.	The existing shareholdings of certain members of the key management provide a clear incentive to contribute to the long-term development of the business. Other members of the management team are attracted and retained through share-based awards and performance-related pay. In addition, a team-based approach is adopted across the business which reduces dependence and contributes to succession planning.	
REGULATORY AND LEGAL FRAMEWORK		
We operate in a range of international markets and must comply with various regulatory requirements. Failure to do so could lead to financial penalties and/or reputational damage.	The Group closely monitors changes in the legal and regulatory framework within the markets in which it operates. We work closely with advisers in each market to ensure compliance with local laws and regulations.	
FOREIGN EXCHANGE		
The Group is exposed to fluctuations in the exchange rates of key currencies.	The Group has adopted a hedging policy to mitigate short-term foreign exchange risk. We currently seek to hedge a material proportion of forecasted currency requirements through the use of forward contracts.	

SOCIAL RESPONSIBILITY

Fashion without compromise

AT QUIZ, WE RECOGNISE THE IMPORTANCE OF THE ETHICS APPLIED BY THE GROUP AND ENSURING THESE ARE REFLECTED IN EVERYTHING THAT WE DO.

Our social responsibilities are focused on three key strands:

- **Fashion without Compromise:** partnering with our suppliers to create distinctive products made with care, consideration and respect for all involved in the Supply Chain and to manage the environmental impact;
- **Respecting our environment:** managing and reducing our impact on the environment through reducing the use of Greenhouse gases and minimising waste; and
- **Our QUIZ Community:** nurturing an exciting environment for both our employees and the local communities in which we reside.

FASHION WITHOUT COMPROMISE

Building long-term relationships with our suppliers has created a sustainable supply chain to respond to changing fashions and consumer preferences. We work with our suppliers to ensure that our expectations with regards to ethical compliance in line with our Ethical trading Initiative base code programme are reflected throughout our supply chain and consider our sustainability programme as appropriate.

The core principles applied to achieve our objectives are:

- mutual trust and transparent relationships
- coaching, training and nurturing to achieve self-development at all levels and help positive decision-making
- empowerment at all levels within the supply chain working collaboratively with suppliers, to align and achieve ethical compliance expectations
- developing ethical and sustainable knowledge to aid real-time response and change of fashions and consumer preferences

We are aware of the sensitivities of sourcing responsibly and the challenges posed by having a global supply chain focused on fashion. Our customers expect the latest looks from us on time at an appropriate price and quality, but with this comes a duty to ensure our products are sourced and manufactured responsibly. The responsibility for meeting these expectations is led from the Board and is integral to our core values and permeates all departments and throughout our Supply Chain.

As a business, we are committed to providing good quality products to our customers and a vital part of this commitment relies on our suppliers ensuring that all goods are produced in a safe working environment where workers' rights are respected. We require our suppliers to sign our QUIZ Ethical Code of Practice, which adheres to the core principles of the Ethical Trading Initiative Base Code, setting worldwide standards on labour practices, to protect our own workers as well as those throughout our supply chain.

QUIZ suppliers must comply with this practice to ensure their workforces, working conditions, management and production processes are not just legally compliant but are also fair, responsible and sustainable. We work closely with our suppliers and clearly communicate our expectations to ensure that our goals are aligned, ensuring the benefits of compliance and continued improvements to working conditions are beneficial to all parties.

Much of our product is sourced from China. Whilst a significant percentage is manufactured in the UK an increasing proportion is sourced from Morocco. We understand the importance of supply chain and ethical compliance transparency and are committed to continuously driving improvements through non-compliance remediation, factory visits and supporting suppliers to ensure their compliance with our expectations. Whilst we have worked with many of our suppliers for a number of years, developing long-lasting relationships which are based on mutual trust and expertise, we ensure that compliance is verified both by our resources and independently.

In the past year we have sourced product across 10 countries. We ensured compliance with our Ethical Code of Practice through:

- engaging with specialist third-party auditors to provide appropriate accreditation before any new suppliers are approved and conduct independent audits of each of the factories within our supply chain on an ongoing basis;
- regular checks and visits with our suppliers in the Leicester region by our locally based Ethical Compliance Manager;
- visits to our existing and potential Moroccan suppliers from our Ethical Compliance Manager;
- working closely with suppliers to ensure that their working environments are compliant with all health and safety requirements;
- working with our partners, which include major UK retailers, to ensure the compliance of our supply chain and share best practice processes;
- ensuring compliance with the process to provide clear visibility of the factory address where every QUIZ product is being made to prevent any unauthorised sub-contracting; and
- conducting audits and random factory site visits across our supply chain to increase ongoing visibility of compliance with the Group's strict values and requirements.

In addition, all our suppliers are required to confirm compliance with our Restricted Raw Material Sourcing declaration to ensure raw materials are ethically sourced.

The Board will continue to prioritise ensuring that the Group maintains an ethical and responsible supply chain that all QUIZ's stakeholders can be proud of. We are committed to continually investing in this critical area of the business to ensure that the Group's systems remain robust and that the Group's strict Ethical Code of Practice is adhered to.

Our public statement with regards to the Modern Slavery Act, detailing our progress and commitment, is available at www.quizgroup.co.uk.

RESPECTING OUR ENVIRONMENT

QUIZ is committed to protecting the environment and becoming more sustainable across our business with the focus being on a number of areas including carbon emissions, packaging and waste and providing customers with more sustainable product. We have taken action to minimise any negative aspects of our operations and to help create a positive impact for the future.

Greenhouse gas emissions

The Group voluntarily reports on all the greenhouse gas ("GHG") emission sources under the Streamlined Energy and Carbon Reporting ("SECR") legislation.

Since September 2021, all of our electricity and gas supplies have been certified as produced from renewable energy sources. We have recently extended this same commitment by securing similar supplies for the business for the forthcoming year.

The methodology used to calculate our emissions is the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), based on the operational control approach, i.e., where the Group operates the facility or asset. The space occupied by the Group within concession stores is excluded from the calculations because the Group has neither financial nor operational control over a concession area. Data has been calculated using BEIS 2024 emission factors for all carbon streams. During the year, our electricity consumption totalled 4.0 MWh of electricity used (2023: 4.3 MWH) and 1.5 MWh of gas (2023: 1.5 MWh). All emission and energy usage reported is UK based, which complies with the requirements for large unquoted companies.

Our Sustainability Road Map has prioritised addressing Climate Change and all our electricity and gas in the United Kingdom and the Republic of Ireland continues to be sourced under renewable green carbon free arrangements. This has resulted in a further saving of over 1,100 tonnes in annual carbon emissions per annum. In addition, we continue to undertake initiatives to reduce energy consumption. Despite these activities the 5% decrease in total emissions is less than the 11% reduction in revenues during the year resulting in an increase in the Intensity Metric from 12.8 to 13.7 tonnes of CO2e per £million of retail revenue.

Going forward we continue to consider an investment directly in renewable energy sources and to continue to reduce our carbon emissions from Scopes 1 to 3 across the carbon footprint scale.

Waste

Key to protecting our environment is the reduction of waste across our head office, stores and warehouses. We continue to work hard to reduce the amount of waste generated and also to increase the amount recycled including the following steps:

- Continuing to achieve Zero Landfill impact from the disposals of our product which is either recycled or donated to charity;
- Our increased focus on following best practice processes in respect of recycling has helped to reduce the amount of cardboard waste going to landfill by 120 tonnes and general waste by 160 tonnes over the last two years with progress being recorded each year;
- Continue to ensure that all wood utilised across the business is recycled or used to produce Refuse Derived Fuel; and
- Sourcing all paper consumed in the business to have zero carbon impact and used paper is disposed of via recycling programs.

Going forward, we intend to utilise more recycled material or sustainable alternatives in our products.

UK GHG emissions data[1]	**FY 2024**	FY 2023
Scope 1 (tonnes CO_2e)[2] combustion of fuel operation of facilities and refrigeration	**295**	300
Scope 2 (tonnes CO_2e)[3] electricity, heat, steam and cooling purchased for own use	**826**	876
Total gross location-based method Scope 1 and 2 emissions	**1,121**	1,176
GHG intensity metric (tonnes of CO_2e per £million of retail revenue)	**13.7**	12.8
Procured renewable energy (tonnes CO_2e)[2]	**1,121**	1,176
Total gross market-based method Scope 1 and 2 GHG emissions	**-**	-

1. Figures represent a twelve-month period ending at or around the financial year end.
2. Scope 1: emissions associated with our direct activities, such as heating our stores, offices, warehouses and company cars.
3. Scope 2: emissions from the electricity we purchase.

SOCIAL RESPONSIBILITY CONTINUED

Packaging and plastics

Packaging and plastics are another key area of focus for reducing our impact on the environment. We have therefore been working hard to minimise the total amount of packaging used by the Group and to move to sustainable materials in our packaging. We continue to make progress in this area:

- All in-store and online delivery plastic bags are sourced from recycled material and are recyclable;
- All cardboard packaging continues to be sourced from recycled material; and
- Any plastic waste generated at our distribution centre or head office is compacted and directly transported to recycling facilities with approximately 10 tonnes of polythene per annum sent to a plastic processor to become a new carrier bags or similar products.

OUR QUIZ COMMUNITY

In operating our business, the talent, creativity and passion of our people are at the heart of the QUIZ culture. Everything we do is with the customer in mind. Our customer-first mentality is embedded at our head office, in our stores and concessions, and throughout the markets where our teams operate.

The value we place in our people is shown in the way we motivate them. We encourage new learning and development as well as reward their valuable contribution.

We encourage new talent and cultivate creative ideas and, as a team, we are always looking to push boundaries and explore opportunities. Many of our employees have been with QUIZ for much of their working years and, as the QUIZ community grows and we welcome new talent and new ways of doing things, this team-based approach will always remain at our core.

We care about the local communities in which we work and make sure we positively contribute to those local communities in which we reside. Our dedicated teams, at head office and across our stores, hold fundraising events and sample sales on behalf of local charities. In addition, the funds raised along with revenue raised through the sale of plastic bags in store are distributed to local charities based upon staff input as to how money should be allocated.

We are committed to ensuring that all our team members, regardless of gender, receive the same support and opportunities to progress, develop and enjoy a rewarding career with us. Our latest gender pay gap information (gender pay gap is the difference between our male and female mean and median salaries across the whole organisation) reported a 12.3% median pay gap, which is below the UK national average of 14.3%.

The fact that a gender pay gap exists at QUIZ is, we believe, due to the structure of our business rather than any differentials in how we pay men and women for doing the same role. We continue to look at ways that we can evolve and improve these results.

As a responsible business, we encourage diversity in the workplace and we are committed to treating everyone fairly and ensuring that everyone – no matter what their background, race, ethnicity, gender or disability – has the same opportunities to progress, develop and enjoy a rewarding career. If an employee were to become disabled whilst in employment and as a result was unable to perform his or her duties, every effort would be made to offer suitable alternative employment and assistance with retraining. We continue to support the development of all our colleagues – in particular our talented female colleagues into leadership roles. We will continue to support all colleagues to ensure they have a long and rewarding career with us.

We encourage new talent and cultivate creative ideas and, as a team, we are always looking to push boundaries and explore opportunities.

The Strategic Report relates to the content on pages 1 to 25.

SHERAZ RAMZAN

Chief Executive

28 August 2024

SECTION 172 STATEMENT

Engaging with our stakeholders

This statement describes how the Directors have had regard to the matters set out in section 172 of the Companies Act 2006, as modified by the Companies (Miscellaneous Reporting) Regulations 2018, in exercising their duty to promote the success of the Company for the benefit of its members as a whole. Whilst not a requirement under Jersey Company Law, the Directors consider including disclosure of this statement to be in-line with best practice reporting. The Board is aware that its strategic decisions can have long-term implications for the business and its stakeholders.

Stakeholder engagement is central to the formulation and execution of our strategy and is critical in achieving long-term sustainable success. The needs of our different stakeholders as well as the consequences of any decision in the long term are well-considered by the Board. It is not always possible to provide positive outcomes for all stakeholders and the Board sometimes has to make decisions based on the competing priorities of stakeholders. Our stakeholder engagement processes enable our Board to understand what matters to stakeholders and carefully consider all the relevant factors and select the course of action that best leads to the high standards of business conduct and long term success.

The Directors consider that the following groups are the Company's key stakeholders. The Board seeks to understand the respective interests of such stakeholder groups so that these may be properly considered in the Board's decisions. This is done through various methods, including: direct engagement by Board members; receiving reports and updates from members of management who engage with such groups; and coverage in our Board papers of relevant stakeholder interests with regard to proposed courses of action.

A. EMPLOYEES

Our employees rely on us to provide stable employment and opportunities to realise their potential in a working environment where they can be at their best. The quality, commitment and effectiveness of the Group's employees are crucial to its continued success and their engagement is encouraged through:

- comprehensive induction processes for new employees;
- policies and programmes designed to encourage employees to become interested in the Group's activities and to reward employees according to their contribution and capability and the Group's financial performance;
- communications to disseminate relevant information including information on matters of concern as well as economic factors affecting the Group performance; and
- encouraging employee feedback through their line manager or, where there are concerns with regards to confidentiality, through our HR team.

See also: Social Responsibility section of this Annual Report.

B. CUSTOMERS

We look to develop brand loyalty by providing customers with product that allows them to stand out from the crowd. The Group maintains an ongoing dialogue with its customers, who are the reason we exist, to ensure that our offer remains attractive through:

- news announcements on the Group's website and through the regulated market announcements;
- engagement with customers through communication activities performed through the brand's social media sites and via email where customers have opted in to receive such communication; and
- undertaking reviews and surveys to better understand our customers.

See also: Social Responsibility section of this Annual Report.

SECTION 172 STATEMENT CONTINUED

C. SUPPLIERS AND PARTNERS

Our suppliers and partners rely on us to generate revenue and employment for them. The Group maintains an ongoing dialogue with its suppliers and partners, which help to make and distribute or product, through:

- comprehensive assessment and onboarding processes for all new QUIZ product suppliers;
- annual independent compliance audits for product suppliers using the SMETA process;
- engaging in supplier face-to-face meetings; and email and telephone conversations with the Ethical Compliance team and senior management; and
- regular reviews with partners to assess commercial performance, compliance with QUIZ's expectations and potential improvements.

See also: Principal Risks and Uncertainties and Social Responsibility sections of this Annual Report.

D. COMMUNITY AND ENVIRONMENT

We strive to operate a sustainable and responsible Group.

The Group has an increased focus on key environmental goals, including regarding energy efficiency and waste reduction. This is achieved by utilising energy produced from renewable sources wherever possible and initiatives across the business to reduce waste and increase the use of recycling.

Employees are encouraged to support their communities through charitable fundraising and participation in local events.

See also: Social Responsibility section of this Annual Report.

E. SHAREHOLDERS

We rely on our shareholders as providers of capital to further our business objectives. The Group has an active programme of investor relations, which is described in detail in the Corporate Governance section of this Annual Report.

The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full year preliminary results.

Access to the Executive Directors is provided through live online interactive presentations which allow for questions to be submitted.

The Board is informed of shareholder views as part of the regular reporting process and matters for discussion.

With Tarak Ramzan as a founder shareholder committed to the future of the business, we maintain a relationship with all of our shareholders to allow us to take a long-term view in the management of the business. This involvement is central to ensuring we act fairly in considering the needs of all shareholders, along with other stakeholders.

The annual general meeting is an important opportunity for communication with both institutional and private shareholders and also typically involves a short statement on the Company's latest trading position. Shareholders may ask questions of the full Board, including the Chairs of the Audit, Remuneration and Nomination Committees. In addition to being able to attend the annual general meeting shareholders are invited to submit questions by email and responses are provided directly.

The result of the proxy votes submitted by shareholders in respect of each resolution are available on the Company's website or on request from the Company Secretary.

Access to the Board is through a dedicated Investor Relations email address; investor.relations@quizclothing.co.uk. General information about the Group is also available on the Group's website: www.quizgroup.co.uk. This includes an overview of activities of the Group and details of all recent Group announcements.

F. GOVERNMENTS AND TAX AUTHORITIES

We seek to enjoy a constructive and cooperative relationship with the bodies that authorise and regulate our business activities. This helps us maintain a reputation for high standards of business conduct. The Group has processes in place to monitor new regulations and compliance requirements that may impact the business, including, for example, product regulations, financial accounting and reporting updates and tax accounting and reporting compliance.

See also: Principal Risks and Uncertainties section of this Annual Report.

The key Board decisions and their impact on stakeholders in the year included:

Review of strategic options further to declining financial performance

The primary objective for the Board in the last year has been to address and reverse the loss-making position. The fall in revenues and the associated impact on the Group's performance may have been driven by the decline in consumer confidence but there was a need to establish what the Group could do to improve its trading performance and to execute this plan.

Given this the Board initiated a Review of Strategic Options with a focus on maximising shareholder returns. This review considered a range of options including but not restricted to (i) altering the existing management team (ii) amending the existing strategy and priorities (iii) the capital structure and financing of the Group and (iv) the value that could be derived from the sale of the business as well as the likelihood of any such transaction occurring.

Further to this review it was agreed that Sheraz Ramzan should become CEO and steps be taken to improve the business performance in relation to its product proposition and how it is presented to potential consumers.

The turnaround plan for the business is focussed upon steps to; (i) reconnect with consumers via our omni-channel model (ii) elevate the QUIZ brand to be viewed as a more aspirational destination brand (iii) recalibrate our product proposition (iv) achieve selective International growth and (v) manage our product and other costs. This will benefit a number of stakeholders through ensuring the viability of this business going forward by:

- employees – persevering the maximum number of roles going forward, allowing for employment of more employees and increased pay;
- customers – responding to customer demand for on trend product through omni-channel model to allow customers to access QUIZ where most convenient for them;
- suppliers – maximising potential future revenues and opportunities for suppliers to supply additional product to QUIZ; and
- shareholders – improving future cash flows and liquidity headroom to provide a stable base for further expansion or to provide a buffer against any future headwinds.

This statement and the Strategic Report were reviewed and approved by the Board on 28 August 2024 and is signed on its behalf by:

SHERAZ RAMZAN
Chief Executive
28 August 2024

Corporate Governance

IN THIS SECTION

BOARD OF DIRECTORS

PETER COWGILL

INDEPENDENT NON-EXECUTIVE CHAIRMAN

A N R

Peter was Executive Chairman of JD Sports Fashion Plc for 18 years, prior to which he was Finance Director. Peter was instrumental in driving the strong performance of JD Sports Fashion during his time as Executive Chairman. Peter is also the Non-Executive Chairman of Roxor Group Limited.

SHERAZ RAMZAN

CHIEF EXECUTIVE

Sheraz was appointed Chief Executive in March 2024. He joined QUIZ in 2003 after completing a degree in Engineering and then a Master's in Business Management. Initially tasked with raising the profile of the non-clothing merchandise part of the business, he developed a fast and flexible Far East supply chain, supporting growth of the footwear and accessories ranges. In his current role, Sheraz is responsible for strategic planning and facilitating the Group's growth and improved financial performance.

GERARD SWEENEY

CHIEF FINANCIAL OFFICER

Gerard joined QUIZ in September 2016 as Chief Financial Officer. He was previously the Group Finance Director at Robert Wiseman Dairies PLC, where he worked for 15 years. Gerard is responsible for the finance function, the development of systems and reporting to support the business. After completing an Accountancy degree, he qualified as a chartered accountant when working with Arthur Andersen. Gerard is also the Company Secretary.

ROGER MATHER

INDEPENDENT
NON-EXECUTIVE DIRECTOR

A N R

Roger was previously the Group Finance Director and a board member of Mulberry Group plc for eight years, stepping down in May 2016. Roger is a Fellow of the Institute of Chartered Accountants in England and Wales having trained professionally with Price Waterhouse. He spent the previous ten years in senior finance and commercial roles within the multinational Otto Group based in both Hong Kong and the United Kingdom. Roger is also a Non-Executive Director and the Audit Committee Chair of Science in Sport plc. Roger chairs the Audit Committee and the Remuneration Committee of QUIZ.

TARAK RAMZAN

NON-EXECUTIVE DIRECTOR

N

Tarak opened his first QUIZ retail store in Glasgow in 1993. After inheriting his father's manufacturing business aged 18, Tarak made the decision to move into retail once UK manufacturers began to move offshore. With his passion for retail and a keen eye for fashion and product, he steered the Company to success using a strategy that is centred on QUIZ's distinctive selling proposition and ability to stay ahead of the competition. Tarak was previously Chief Executive and further to relinquishing this role in March 2024 remained on the Board as a Non-Executive Director.

A Audit Committee
N Nomination Committee
R Remuneration Committee
Committee Chair

GOVERNANCE FRAMEWORK

PETER COWGILL

INDEPENDENT NON-EXECUTIVE CHAIRMAN

I have pleasure in introducing the QUIZ plc Corporate Governance Statement. The Board continues to be committed to supporting high standards of corporate governance. In this section of the Annual Report, we set out our governance framework and describe the work we have done to ensure good corporate governance throughout QUIZ plc and its subsidiaries.

The Directors are committed to continuing to maintain high standards of corporate governance.

The Company has adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") and apply these where they consider they are appropriate for a company of QUIZ plc's size and nature. The Directors support the ten principles contained in these requirements as outlined below:

1

ESTABLISH A STRATEGY AND BUSINESS MODEL, WHICH PROMOTES LONG-TERM VALUE FOR SHAREHOLDERS

QUIZ is an omni-channel fashion brand, specialising in occasion wear and dressy casual wear. It delivers a distinct proposition that allows its customers to stand out from the crowd. Its business model encompasses online sales, standalone stores, concessions, international franchises and wholesale arrangements.

Amongst the key challenges in executing its business model is ensuring products remain relevant and appropriately priced for QUIZ's customers which is addressed through the Buying and Design teams developing their own product lines and a number of other strategic initiatives outlined as part of the Annual Report.

The Board is collectively responsible for the long-term success of the Group. It provides entrepreneurial leadership, sets Group strategy, upholds the Group's culture and values, reviews management performance and ensures that the Group's obligations to shareholders are understood and met.

The Executive Directors are responsible for business operations and for ensuring that the necessary financial and human resources are in place to carry out the Group's strategic aims. The Non-Executive Directors' role is to provide an independent view of the Group's business, to constructively challenge management and to help develop proposals on strategy. The Board as a whole, reviews all strategic issues and key strategic decisions on a regular basis.

All Directors take decisions objectively in the interests of the Group.

The Chairman, aided by the Company Secretary, takes responsibility for ensuring that the Directors receive accurate, timely and clear information.

Directors are aware of their right to have any concerns recorded in the Board minutes.

2

SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS

The Board is informed of shareholder views as part the regular reporting process and maintains an active dialogue with its shareholders through a planned programme of investor relations events which is co-ordinated by the Company Secretary. There is also a designated email address for shareholder liaison; investorrelations@quizclothing.co.uk and all contact details are included on the investor relations website.

During the year the Company has engaged with a broad cross section of shareholders and addressed all questions and enquiries directed to the Board.

Further details are set out in the Investor Relations section of the Group's website at www.quizgroup.co.uk/governance.

3

TAKE INTO ACCOUNT WIDER STAKEHOLDER AND SOCIAL RESPONSIBILITIES AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS

The board recognises the importance of maintaining strong relationships with its stakeholders in order to create sustainable long-term value, and the board encourages active dialogue and transparency with all its stakeholder groups.

It works closely with employees, customers, suppliers and partners in executing its strategy. This engagement has led to initiatives such as improving processes within the business, supporting our suppliers to expand and simplifications to our working arrangements with partners. Collectively these and other initiatives have contributed to the increased revenues and improved profitability generated in the year.

Further details of the Group's engagement with stakeholders and actions taken as a result are given in the Section 172 Statement on pages 22 to 25.

4

EMBED EFFECTIVE RISK MANAGEMENT, CONSIDERING BOTH OPPORTUNITIES AND THREATS, THROUGHOUT THE ORGANISATION

The Board has ultimate responsibility for the Group's risk management, the system of internal control and for reviewing its effectiveness. The approach to Risk Management is outlined in more detail in the Principal Risks and Uncertainties section on pages 14 to 17. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss.

The Board confirms that there are ongoing procedures for identifying, evaluating and managing significant risks faced by the Group and that it has reviewed these risks and the procedures with management before the financial year end. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

The principal elements of the Group's internal control system include:

- the day-to-day management of the activities of the Group by the Executive Directors;
- a detailed annual budget is prepared including an integrated profit and loss account, balance sheet and cash flow statement. The budget is approved by the Board;
- monthly reporting of performance against the budget is prepared and reviewed by the Board;
- a schedule of delegated authority is maintained which defines levels of approval authority over such items as capital expenditure, commercial contracts, litigation and treasury matters; and
- the maintenance of a risk register which is reviewed at least bi-annually by the Board.

The Group continues to review its system of internal control to ensure compliance with best practice, whilst also having regard to its size and the resources available.

5

MAINTAIN THE BOARD AS A WELL-FUNCTIONING, BALANCED TEAM LED BY THE CHAIR

The Board comprises two Executive Directors and three Non-Executive Directors reflecting a blend of different experience and backgrounds. Two of the Non-Executive Directors are considered "independent" with Tarak Ramzan not deemed to be independent given his previous role as Chief Executive. Further details regarding the Directors are set out on pages 28 and 29.

The Board is satisfied that the Chairman and each of the Non-Executive and Executive Directors continue to be able to devote sufficient time to the Company's business.

The time commitment required from each Director includes attending the Board and Committee meetings outlined below, receiving and providing feedback on business developments on a weekly and monthly basis and being available between Board meetings for further discussion and feedback.

The Board met five times in the year in relation to scheduled Board meetings. Items covered at these Board meetings included a review of strategic options available to the Group, the evaluation of financial performance; the monitoring of performance against key budgetary targets; updates on governance, finance, legal and risk matters; health and safety; and proposals for any major items of capital expenditure. For all scheduled Board meetings an agenda is established and a Board pack is circulated at least 48 hours ahead of the meeting.

In addition to the above meetings the Board met for the Annual General Meeting.

The table below shows the attendance of individual Directors at Board and Committee meetings of which they were members during the year:

	Board		Audit Committee		Remuneration Committee		Nomination Committee	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Peter Cowgill	5	5	2	2	1	1	3	3
Tarak Ramzan	5	5	–	–	–	–	3	3
Sheraz Ramzan	5	5	–	–	–	–	–	–
Gerard Sweeney	5	5	–	–	–	–	–	–
Charlotte O'Sullivan	3	3	–	–	1	1	1	1
Roger Mather	5	5	2	2	2	2	3	3

As at 28 August 2024, the Board has met once, the Audit Committee has met twice and the Remuneration and Nomination Committees have met once since the end of the financial year. These meetings were attended by all Directors eligible to attend.

The Board receives reports from the Executive Directors to enable it to be informed of and supervise the matters within its remit. The Board considers at least annually the Group's strategic plan.

Where issues arise at Board meetings, the Chairman ensures that all Directors are properly briefed and, when necessary, appropriate further enquiries are made.

In addition to scheduled meetings, the Board will convene to consider significant issues as they arise.

At each meeting the Board considers Directors' conflicts of interest. The Company's Articles of Association (the "Articles") provide for the Board to authorise any actual or potential conflicts of interest.

In the appropriate circumstances, the Board may authorise Executive Directors to take non-executive positions in other companies and organisations provided the time commitment does not conflict with the Director's duties to the Company. The appointment to such positions is subject to Board approval.

6

ENSURE THAT BETWEEN THEM, THE DIRECTORS HAVE THE NECESSARY UP-TO-DATE EXPERIENCE, SKILLS AND CAPABILITIES

The experience and knowledge of each of the Directors, as outlined on pages 28 and 29, give them the ability to constructively challenge strategy and to scrutinise performance. The Board remain professionally active and are motivated to broaden and deepen their knowledge. The Board are briefed on a wide range of topics through the year. As part of the Board's commitment to maintaining high standards of governance the Board were briefed during the year on aspects of the AIM regulations and their duties as directors.

The Company Secretary ensures all Directors are kept abreast of changes in relevant legislations and regulations, with the assistance of the Group's advisers where appropriate.

In addition, the Group is supportive in providing access to training for any Directors who deem this necessary to keep their skills up to date.

Directors have access to independent professional advice at the Company's expense. There were no requests to access to independent professional advice during the year. In addition, they have access to the advice and services of the Company Secretary, who is responsible for advice on corporate governance matters to the Board.

GOVERNANCE FRAMEWORK CONTINUED

7

EVALUATE BOARD PERFORMANCE BASED ON CLEAR AND RELEVANT OBJECTIVES

During the year the Chairman conducted an internal evaluation of the Board through a consultation with the other directors with respect to their Board and sub-committee roles. This evaluation considered the performance, commitment and contribution of each Director and that the Board members' respective skills complement each other and enhance the overall operation of the Board. The results of this evaluation were confirmed to the Board and its Committees to advise whether they are operating to the satisfaction of the Chairman and achieving their objectives.

In addition, the Board utilises a questionnaire to identify any areas of concern with regards to the above evaluation process and provide feedback as appropriate.

The review supported the current structure, the skills available and the overall operation of the Board. There were no substantive issues raised in the current year or outstanding from previous years with only limited and minor changes being requested.

It is considered that the Board provides an appropriate mix of skills and personal qualities with substantial experience of working across the retail sector with expertise in different areas. This provides the Board with the capabilities to deliver the strategy of the Group and to benefit shareholders over the medium to long term.

8

PROMOTE A CORPORATE CULTURE THAT IS BASED ON ETHICAL VALUES AND BEHAVIOURS

The success of the Group is dependent upon a positive and healthy culture to ensure a common purpose to deliver on its strategy. The Board is committed to a strong ethical corporate culture and ensuring that the culture in the business is consistent with the Group's objectives, strategy and business model as outlined in the Strategic Report and addresses the principal risks and uncertainties. The Board achieves this by:

- clear communication and monitoring of compliance with the Company's Ethical Values and Behaviours policies;
- encouraging diversity, inclusion and equal opportunities for all employees as outlined in the Social Responsibility section of this report;
- investment in training and development;
- regular communication with employees with regard to developments in the business;
- appropriate induction for new employees;
- investment in a head office which provides a creative environment consistent with the Group's values; and
- robust procedures to monitor and report upon compliance from suppliers with the Group's Ethical Code of Practice.

The Board monitors and assesses the culture in the business through feedback received at Board meetings with regard to matters such as regular reports on ethical compliance, compliance with health and safety standards and personnel matters such as employee retention, feedback from employees and training and development initiatives.

9

MAINTAIN GOVERNANCE STRUCTURES AND PROCESSES THAT ARE FIT FOR PURPOSE AND SUPPORT GOOD DECISION-MAKING BY THE BOARD

The Board has a formal schedule of matters reserved to it for decision, including the approval of annual operating and capital expenditure plans and the review of performance against these plans and the Group's strategy and objectives, treasury and risk management policies. The Board has three separate Board Committees: Audit, Remuneration and Nomination.

Each Committee has written terms of reference setting out its duties, authority and reporting responsibilities, with copies available on request from the Company Secretary. The terms of reference of each Committee are kept under review to ensure they remain appropriate and reflect any changes in legislation, regulation or best practice. The Company Secretary is the secretary of each Committee.

A report from each of the Audit, Nomination and Remuneration Committees follows this commentary regarding the governance framework.

10

COMMUNICATE HOW THE COMPANY IS GOVERNED AND IS PERFORMING BY MAINTAINING A DIALOGUE WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

The AGM is an important opportunity for communication with both institutional and private shareholders. Shareholders may can ask questions of the full board, including the Chairs of the Audit, Remuneration, Nomination and Risk Committees. The result of the proxy votes submitted by shareholders in respect of each resolution will be available on the company's website or on request to the Company Secretary. As outlined at principle 2, the company maintains an active dialogue with its shareholders through a planned programme of investor relations.

Lastly, on behalf of the board, I would like to extend my thanks to all of our shareholders for your continued support. Recent years have been challenging but has demonstrated the resilience of the Group to external pressures and the requirement for its business model to adapt to changing circumstances. Looking ahead, the board is highly motivated and equipped to deliver on our ambitions and we remain confident in the strength of our business model, strategy, and customer proposition.

PETER COWGILL
Non-Executive Chairman

28 August 2024

AUDIT COMMITTEE REPORT

ROGER MATHER
COMMITTEE CHAIR

OTHER MEMBERS: Peter Cowgill

On behalf of the Board, I am pleased to present the Audit Committee Report for the year ended 31 March 2024.

The Committee's responsibilities include monitoring the Group's compliance with corporate governance and financial reporting requirements. It reviews the output of external audits, internal reports on risk management and internal control systems as well as the content of the Group's annual financial statements. It is responsible for monitoring the extent of non-audit services and advising on the appointment of external auditors.

In addition, the Committee reviews the effectiveness of the Group's internal controls and risk management systems and reports on these to the Board. The ultimate responsibility for reviewing and approving the Annual Report and Accounts and the half-yearly reports remains with the Board.

MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee comprises two Non-Executive Directors: me, as Chair of the Committee, and Peter Cowgill.

The external auditors (RSM UK Audit LLP), Chief Executive and Chief Financial Officer also attend Committee meetings by invitation. The Committee has met three times since 4 July 2023, being the date the Group's last Annual Report was approved.

The Board is satisfied that I, as Chair of the Committee, have recent and relevant financial experience. I am a chartered accountant and was formerly Group Finance Director at Mulberry Group plc.

The Committee has maintained dialogue with the auditors outside of the scheduled meetings and meets with the auditors without the presence of the Executive Directors and members of the finance team.

DUTIES

The duties of the Audit Committee are set out in its terms of reference, which are available on request from the Company Secretary.

Matters considered at these meetings included:

- reviewing and approving the Annual Report and Financial Statements for the year ended 31 March 2024;
- discussion with the external auditors to confirm their independence and scope for audit work;
- considering the reports from external auditors identifying any accounting or judgemental issues requiring the Board's attention; and
- observations of internal controls and reviewing the Company's risks.

The Committee meets a minimum of twice per year.

ROLE OF THE EXTERNAL AUDITORS

The Audit Committee reports to the Board on the effectiveness, value and independence of the auditors on an annual basis. The Audit Committee also approves the extent of non-audit work undertaken by the auditors to ensure that it does not interfere with their independence and has established guidelines for the value of non-audit services permitted to be undertaken by the auditors.

AUDIT PROCESS

The external auditors prepare an audit plan that sets out the scope of the audit, key areas of audit focus, audit materiality and the audit timetable for audit work. This plan is reviewed and agreed in advance by the Audit Committee. Following the completion of their work, the external auditors present their findings to the Audit Committee for discussion.

INTERNAL AUDIT

At present the Group does not have an internal audit function. In view of the size and nature of the Group's business, the Committee believes that management is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without a formal internal audit function. This will be kept under review as the business evolves.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Group has a framework of risk management and internal control systems, policies and procedures. The Audit Committee is responsible for reviewing the risk management and internal control framework and ensuring that it operates effectively. The Committee has reviewed the framework and is satisfied that the internal control systems in place are currently operating effectively.

WHISTLEBLOWING

The Group has in place a whistleblowing policy which sets out the formal process by which an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. During the period, there were no incidents for consideration.

GOING CONCERN

The Directors have prepared a detailed financial forecast with a supporting business plan covering the medium-term future.

The financial statements continue to be prepared on the going concern basis. This conclusion is based on the Group's current forecasts and mitigating actions available. With the continued challenges in the macro environment and the sensitivity of management's assessment to reasonably possible downside scenarios, coupled with the headroom on the existing bank facilities, the Directors note there exists a material uncertainty related to Going Concern.

This may cast significant doubt over the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business. The material uncertainty related to Going Concern arises due to:

- The limited headroom within the existing funding facilities in the context of an uncertain macro-economic environment and the sensitivity of management's assessment to reasonably possible downside scenarios in lieu of any additional financing;
- The availability of committed banking facilities until 30 June 2025, which is less than twelve months from the date when these financial statements are authorised to be issued.

Further detail on the going concern review is contained in Note 1 of the financial statements.

ROGER MATHER
Audit Committee Chair

28 August 2024

NOMINATION COMMITTEE REPORT

PETER COWGILL

INDEPENDENT NON-EXECUTIVE CHAIRMAN

OTHER MEMBERS: Roger Mather, Tarak Ramzan

On behalf of the Board, I am pleased to present the Nomination Committee Report for the year ended 31 March 2024.

MEMBERS OF THE NOMINATION COMMITTEE

The Nomination Committee comprises three Non-Executive Directors, me, as Chair of the Committee, Roger Mather, and Tarak Ramzan. Charlotte O'Sullivan resigned from the Committee on 30 November 2023.

DUTIES

The duties of the Nomination Committee are set out in its terms of reference, which are available on request from the Company Secretary.

In carrying out its duties, the Nomination Committee is primarily responsible for:

- reviewing the structure, size and composition of the Board;
- recommending to the Board any changes required for succession planning;
- identifying and nominating for approval of the Board candidates to fill vacancies as and when they arise;
- reviewing the results of the Board performance evaluation process; and
- making recommendations to the Board concerning suitable candidates for the membership of the Board's Committees and the re-election of Directors at the annual general meeting.

The Nomination Committee meets at least once a year and otherwise as required and reports to the Board on how it has discharged its responsibilities.

ACTIVITY DURING THE YEAR

The Committee met three times during the year. During the year the Committee has focussed its work on the following:

- Appointment of a new CEO; Tarak Ramzan decided to step down as CEO during the year. The Committee's annual consideration of Succession Planning options for senior executives had previously identified Sheraz Ramzan as a potential successor for the CEO role. Prior to his appointment the Committee assessed the potential benefits of reviewing further internal and external options with regards to his replacement. Given his experience and knowledge of the business the Committee decided it was appropriate to appoint Sheraz Ramzan as CEO.
- Appointing a non-executive director; further to the resignation of Charlotte O'Sullivan. The Board continues to give consideration to the appointment of one additional independent Non-Executive Director and will provide an update in due course.
- The structure and composition of the Board and its Committees: The Committee discussed the skills, experience and diversity of the current Board and Committee members taking into account the current and future needs of the Group. The Committee believes that the Board has the necessary balance of skills, knowledge and experience for its current needs. The Committee believes that the Directors are able to devote sufficient time to the Group, taking into account their other directorships.
- Succession planning: The Committee discussed long-term succession planning and emergency cover, and the need to identify and develop talent both within the Group and from the wider market.

There was no requirement for recruitment to the Board in the current year.

TERMS OF REFERENCE

The Committee will keep its terms of reference under review with the main objective of ensuring that an appropriate management framework and governance structure are in place.

PETER COWGILL
Nomination Committee Chair

28 August 2024

DIRECTORS' REMUNERATION REPORT

ROGER MATHER
COMMITTEE CHAIR

OTHER MEMBERS: Peter Cowgill

On behalf of the Board, I am pleased to present the Remuneration Committee Report for the year ended 31 March 2024.

The following narrative disclosures are prepared on a voluntary basis, are not subject to audit and will not be put to an advisory shareholder vote.

MEMBERS OF THE REMUNERATION COMMITTEE

The Remuneration Committee comprises two Non-Executive Directors, me, as Chair of the Committee and Peter Cowgill, who was appointed to the Committee on 13 June 2023. Charlotte O'Sullivan resigned from the Committee on 30 November 2023.

The Executive Chairman, Chief Financial Officer and external advisers may be invited to attend meetings of the Remuneration Committee but do not take part in the decision making. The Company Secretary acts as secretary to the Committee.

DUTIES

The duties of the Remuneration Committee are set out in its terms of reference, which are available on request from the Company Secretary. The terms of reference have been approved for the Remuneration Committee and are reviewed annually.

The Committee's primary responsibility is to determine, on behalf of the Board, the policy for the remuneration of the Executive Directors, the Company Secretary and such other members of the Executive Management Team of the Group as is deemed appropriate. It is furthermore responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and share options.

The remuneration of the Non-Executive Directors is a matter for the Board.

No Director or senior manager may be involved in any decision as to his/her own remuneration.

The Remuneration Committee meets at least twice a year.

PRINCIPLES APPLIED

The Remuneration Committee is committed to complying with the principles of good corporate governance in relation to the design of its remuneration policy and, as such, our policy takes account of the UK Corporate Governance Code and other best practice guidance (for example, the QCA Remuneration Guidance and the Investment Association's Principles of Remuneration), as far as is appropriate to the Company's management structure, size and listing.

The Non-Executive Directors of the Committee have no personal financial interest, other than as shareholders, in the matters to be decided. They have no conflicts of interest arising from cross-directorships or from being involved in the day-to-day business of the Group.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Non-Executive Directors each receive a fee for their services, which is agreed by the Board taking into account the role to be undertaken. They are entitled to participate in the Company pension arrangements but do not participate in any of the equity or bonus schemes other than in relation to a Warrant Instrument entered into with Peter Cowgill on 18 July 2017 as described below.

Each Non-Executive Director who was in office during the year was initially appointed for a 36-month term from 28 July 2017 unless terminated earlier by either party giving the other two months' written notice. Each continues in their position with the same conditions with regards to termination.

REMUNERATION POLICY FOR EXECUTIVE DIRECTORS

The Committee's overarching aim is to attract and retain the highest calibre Directors and ensure reward for performance is competitive and appropriate for the results delivered. The remuneration package for each Executive Director incorporates performance and non-performance-related elements and:

- includes a market competitive salary, the level of which reflects the particular Director's experience and the nature and complexity of their work;
- rewards the Director's personal performance (through the award of annual bonuses) and provides an appropriate link to the Company's long-term performance and continued success (through the operation of share-based incentive schemes);
- provides post-retirement benefits through contributions to an individual's pension schemes or an equivalent cash alternative; and
- provides employment-related benefits including the provision of a company car or cash alternative, life assurance, insurance relating to the Director's duties, and medical insurance.

Each of the Executive Directors has a service contract with the Company that is terminable on twelve months' notice by either party.

SALARIES, BONUSES AND OTHER INCENTIVE SCHEMES

Each Executive Director receives a base salary and the opportunity to earn an annual bonus that is linked to the achievement of targeted levels of profit before tax in the relevant financial year. Annual bonuses will not normally exceed 100% of an individual's salary.

Long-term incentives are provided through the operation of the following arrangements that were first introduced in July 2017:

- the QUIZ Company Share Option Plan ("CSOP"), which allows tax advantaged options to be granted over the Company's shares to selected employees of the Group (including Executive Directors); and
- the QUIZ Employee Share Option Plan ("ESOP"), which enables non-tax advantaged options to be granted to the same category of individuals.

DIRECTORS' REMUNERATION REPORT CONTINUED

Options granted under the CSOP and ESOP generally vest after three years. No options were granted under the CSOP and ESOP in the year.

The price per share payable on their exercise will normally be equal to the market value of a share on the date they were originally granted. Further detail of the options previously granted are provided in Note 21.

Given the existing size of their shareholdings, neither Tarak Ramzan nor Sheraz Ramzan have been granted awards under the CSOP.

The following information is required by the AIM Rules:

	Basic salary/fees £000	Bonus £000	Taxable benefits £000	Pension contributions £000	**2024 Total £000**	Basic salary/fees £000	Bonus £000	Taxable benefits £000	Pension contributions £000	2023 Total £000
Executive Directors										
Tarak Ramzan	166	–	18	24	**208**	187	–	18	24	229
Gerard Sweeney	147	15	10	15	**187**	135	–	11	13	159
Sheraz Ramzan	119	–	10	14	**143**	135	–	9	13	157
Non-Executive Directors										
Peter Cowgill	75	–	–	1	**76**	75	–	–	1	76
Charlotte O'Sullivan	26	–	–	1	**27**	35	–	–	1	36
Roger Mather	40	–	–	1	**41**	40	–	–	1	41
	573	15	38	56	**682**	607	–	38	53	698

Tarak Ramzan and Sheraz Ramzan voluntarily reduced their salary by 50% for three months during the year.

Tarak Ramzan served as an Executive Director until 28 March 2024, when he assumed a Non-Executive Director role.

Each of the Executive Directors receive a car allowance which is included under taxable benefits along with the cost of providing healthcare benefits and life assurance.

Pension contributions are paid into defined contribution schemes for all Directors.

The above table does not include the value of share options or share awards to or held by the Directors.

WARRANT INSTRUMENT

	Scheme	31 March 2023	Granted	Exercised	**31 March 2024**	Exercise price (pence)
Peter Cowgill	CSOP	186,355	–	–	**186,355**	80.50

The warrants are exercisable from 28 July 2017 to the earlier of their full exercise, Peter Cowgill ceasing to be a Director or the takeover of the Company. Further details of the warrant instrument are outlined in Note 21 of the financial statements.

OPTIONS GRANTED UNDER THE CSOP AND ESOP

	Scheme	31 March 2023	Granted	Exercised	**31 March 2024**	Exercise price (pence)
Gerard Sweeney	CSOP	180,600	–	–	**180,600**	15.75
	CSOP	9,150	–	–	**9,150**	17.00
	ESOP	190,850	–	–	**190,850**	17.00
		380,600	–	–	**380,600**	

The above options vest after three years and have no performance conditions, other than the continued employment of the option holder. Further details of the CSOP are outlined in Note 21 of the financial statements.

EXTERNAL NON-EXECUTIVE DIRECTOR POSITIONS

The Company allows Executive Directors to hold external directorships subject to agreement by the Chair on a case-by-case basis and, at the discretion of the Committee, to retain the fees received from those roles.

SHARE PRICE INFORMATION

The market price of the QUIZ plc ordinary shares at 31 March 2024 was 5.35 pence and the range during the year was 5.25–16.05 pence.

STATEMENT OF DIRECTORS' SHAREHOLDINGS AND SHARE INTERESTS

The interests of the Directors and their immediate families in the Group's ordinary shares as at 31 March 2024 were as follows:

	Beneficially owned		Unvested outstanding share awards	
	2024	2023	**2024**	2023
Executive Directors				
Tarak Ramzan	**25,313,539**	25,313,539	**–**	–
Gerard Sweeney	**12,422**	12,422	**380,600**	380,600
Sheraz Ramzan	**6,579,334**	6,579,334	**–**	–
Non-Executive Directors				
Peter Cowgill	**503,168**	503,168	**186,355**	186,355
Charlotte O'Sullivan	**6,213**	6,213	**–**	–
Roger Mather	**322,884**	322,884	**–**	–

ROGER MATHER
Remuneration Committee Chair
28 August 2024

DIRECTORS' REPORT

The Directors present their Annual Report, together with the financial statements, for the year ended 31 March 2024.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of a holding company. The principal activity of its subsidiary undertakings is that of retailing clothes.

RESULTS AND DIVIDENDS

Results for the year ended 31 March 2024 are set out in the consolidated statement of comprehensive income on page 48. No dividends were paid in the current or prior year and no final dividend is recommended.

DIRECTORS

The biographies of the Directors in office at the date of this report are set out on pages 28 and 29.

Details of the Directors' beneficial interests are set out in the Directors' Remuneration Report on pages 35 to 37.

SHARE CAPITAL AND SUBSTANTIAL SHAREHOLDERS

Details of the issued share capital, together with details of the movements during the year, are shown in Note 20 to the financial statements. The Company has one class of ordinary share and each ordinary share carries the right to one vote at general meetings of the Company.

At 31 March 2024 the Company had been notified of the following substantial shareholders comprising 3% or more of the issued ordinary share capital of the Company:

	% of issued share capital held
Tarak Ramzan	14.3
Stonehage Fleming & Partners	13.3
Tajveer Gill	6.9
Omar Aziz	6.4
Kasim Akram	6.3
Amraj Gill	6.3
Nusrat Ramzan	6.1
Sheraz Ramzan	5.3
Hargreaves Lansdown Asset Management	5.3
Mussarat Ramzan	5.2
Haris Ramzan	5.0
Interactive Investor	4.6

FINANCIAL RISK MANAGEMENT

Details of financial risk management, objectives and policies are detailed in Note 25 to the financial statements.

GOING CONCERN

The Directors have prepared a detailed financial forecast with a supporting business plan covering the medium-term future.

The financial statements continue to be prepared on the going concern basis. This conclusion is based on the Group's current forecasts and mitigating actions available. With the continued challenges in the macro environment and the sensitivity of management's assessment to reasonably possible downside scenarios, coupled with the headroom on the existing bank facilities, the Directors note there exists a material uncertainty related to Going Concern.

This may cast significant doubt over the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business.

The material uncertainty related to Going Concern arises due to:

- The limited headroom within the existing funding facilities in the context of an uncertain macro-economic environment and the sensitivity of management's assessment to reasonably possible downside scenarios in lieu of any additional financing;
- The availability of committed banking facilities until 30 June 2025, which is less than twelve months from the date when these financial statements are authorised to be issued.

Further detail on the going concern review is contained in Note 1 of the financial statements

POST-BALANCE SHEET EVENTS

On 26 June 2024, the Group renewed its £4.0 million of bank facilities for a further twelve months to 30 June 2025.

Discussions have commenced with Tarak Ramzan, the Company's founder and largest shareholder with regards to the provision of a £1.0m loan facility to provide additional liquidity headroom for working capital purposes. The terms of the loan facility will be subject to an independent review (and will constitute a related party transaction for the purpose of the AIM rules) in order to ensure that they are on an arms-length basis before they can be approved by the Board's Independent directors. Details will be announced in due course in the event that terms are agreed.

Subsequent to the year end the Company received a letter of claim from a supplier of IT software in relation to a contract for services entered into February 2020. Further details are included in note 29 of the financial statements.

There are no other material post-balance sheet events to be disclosed.

FUTURE DEVELOPMENTS

The Strategic Report on pages 1 to 25 sets out the likely future developments of the Group.

POLITICAL DONATIONS

No political donations were made during the year under review (2023: £nil).

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company has purchased directors' and officers' liability insurance during the year as allowed by the Company's Articles.

ENGAGEMENT WITH STAKEHOLDERS

The Board's responsibilities to promote the success of the Group are outlined in the Section 172 Statement on pages 22 to 25. Whilst not a requirement under Jersey Company law, disclosures are presented in line with the requirements of Section 172 of the United Kingdom Companies Act 2006, as modified by the Companies (Miscellaneous Reporting) Regulations 2018.

STREAMLINED ENERGY AND CARBON REPORTING

Our Streamlined Energy and Carbon Reporting is set out in the Social Responsibility section of this report.

EMPLOYEE INVOLVEMENT

The Directors recognise that communication with the Group's employees is essential and the Group places importance on the contributions and views of its employees. Details of employee involvement are set out in the Social Responsibility Report on pages 18 to 20 and Section 172 Statement on pages 22 to 25.

DIRECTORS' REPORT CONTINUED

DISABLED EMPLOYEES

Details of the Group's policy in relation to disabled employees are set out in the Social Responsibility Report on pages 18 to 20.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each Director in office at the date the Directors' Report is approved, the following applies:

- the Director knows of no information, which would be relevant to the auditors for the purpose of their Auditors' Report, of which the auditors are not aware; and
- the Director has taken all steps that he/she ought to have taken as a Director to make him/herself aware of any such information and to establish that the auditors are aware of it.

AUDITORS

The Audit Committee reports to the Board on the effectiveness, value and independence of the auditors on an annual basis. The Audit Committee has established guidelines for the value of non-audit services permitted to be undertaken by the auditors above which their specific approval is required to ensure that any such work does not interfere with their independence. The Board is satisfied with the independence and objectivity of the auditors, RSM UK Audit LLP, and is recommending their re-appointment at the AGM.

The auditors, RSM UK Audit LLP, have indicated their willingness to continue in office and a resolution seeking to re-appoint them will be proposed at the AGM. This Directors' Report was approved by the Board of Directors and authorised for issue on 28 August 2024.

ANNUAL GENERAL MEETING

The Company's AGM will be held on 17 October 2024. The Annual Report and Accounts and Notice of the AGM will be sent to shareholders in advance of this date.

GERARD SWEENEY
Company Secretary

28 August 2024

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Jersey company law requires the directors to prepare Group financial statements for a period of not more than 18 months in accordance with generally accepted accounting principles. The Directors are required by the AIM Rules of the London Stock Exchange and have elected under Jersey company law to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards.

The financial statements of the Group are required by law to give a true and fair view of the state of the Group's affairs at the end of the financial period and of the profit or loss of the Group for that period and are required by UK-adopted International Accounting Standards to present fairly the financial position and performance of the Group.

In preparing the Group financial statements, the directors should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted International Accounting Standards; and
- 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 accounting records which are sufficient to show and explain the Group's transactions and are such as to disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Quiz plc website.

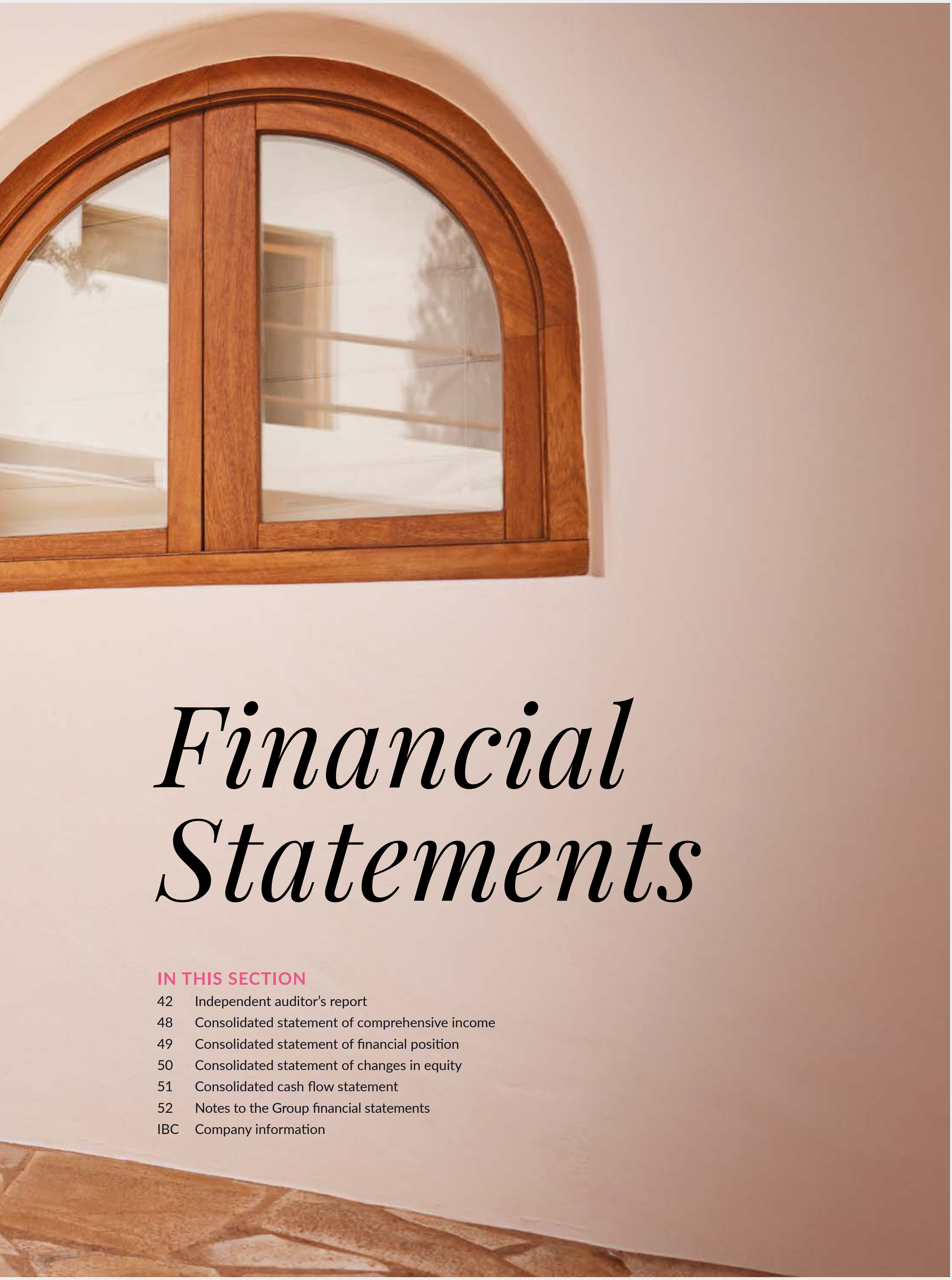
Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

SHERAZ RAMZAN
Chief Executive

GERARD SWEENEY
Chief Financial Officer

28 August 2024



Financial Statements

IN THIS SECTION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUIZ PLC

OPINION

We have audited the financial statements of Quiz plc and its subsidiaries (the 'Group') for the year ended 31 March 2024 which comprise the Consolidated statement of comprehensive income, Consolidated statement of financial position, Consolidated statement of changes in equity, Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 March 2024 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

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 UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 1 in the financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern.

The group made a pre-tax loss of £6,710k for the year and there are macro-economic factors outside the group's control, primarily in respect of the recent cost of living pressures facing consumers, which may impact on the ability of the group to successfully deliver growth in revenues included in the going concern assessment. The Base Case Scenario is sensitive to reasonably possible downside scenarios in sales.

Additionally, the group has committed banking facilities until 30 June 2025, which is less than twelve months from the date when the financial statements are authorised to be issued.

These factors, along with the other matters as set forth in Note 1 to the financial statements indicates that a material uncertainty exists that may cast significant doubt on the group'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 evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining copies of management's forecasts for the Group including key forecasting assumptions and sensitivities, and checking the mathematical accuracy of the forecasts;
- Assessing the forecasts compared to historical trading results and the key assumptions in respect of revenue growth, gross profit margin, overheads, capital expenditure plans and movements in working capital;
- Verifying the committed facilities available to the Group for the forecast period and the headroom this provides; and
- Reviewing the accuracy and completeness of disclosures in the financial statements.

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

SUMMARY OF OUR AUDIT APPROACH

Key audit matters	Group • Impairment of assets • Going Concern (see Material Uncertainty related to Going Concern above)
Materiality	Group • Overall materiality: £814,000 (2023: £850,000) • Performance materiality: £529,000 (2023: £425,000)
Scope	• Our audit procedures covered 100% of revenue, 96% of total assets and 99% of profit before tax.

KEY AUDIT MATTERS

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

In addition to the matter described in the material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

IMPAIRMENT OF ASSETS

Key audit matter description	This is detailed in note 1 for the accounting policy on page 54; note 1 for the critical accounting estimates and judgements on pages 57 to 58 and notes 3, 10, 11 and 12 of the notes to the financial statements on pages 52 to 72. In light of the financial results for the year, macro-economic factors, reduction in consumer disposable income and changing patterns of retail consumer behaviours the group identified that there were indicators of impairment in relation to store and corporate assets, including goodwill and other intangible assets, property, plant and equipment and IFRS 16 right-of-use assets. As required by IAS 36: Impairment of Assets the Group has performed an impairment review of all such assets. As a result of this review, a total net impairment charge of £1,512k (2023: £nil) has been recognised in the financial statements, of which £177k relates to other intangibles, £935k relates to property, plant and equipment and £400k relates to right of use assets. As described in note 1 to the financial statements on page 58, the impairment review involves management judgements and estimates in relation to the value-in-use of the cash generating units (CGUs) being the net present value of the forecast related cashflows. The values derived are then compared to the book value of the related assets to determine whether impairment is required. In making this assessment management determined each store to be a CGU and that the web sales, concession and franchise business units represented individual CGUs. The asset impairment review process involves management making several estimates to determine the value in use each CGU, which is determined based on the forecast future trading performance based on the group's two year forecast. There continues to be uncertainty and, as a result, significant judgement arises in assessing the group's future performance including the determination of an appropriate discount rate and growth rate. Due to the factors explained above, we have identified impairment of assets as one of the most significant matters in the group audit and it is therefore considered to be a key audit matter.
How the matter was addressed in the audit	We obtained an understanding of how management performed their impairment testing and their approach to valuation. We challenged the significant assumptions within management's models through: • Critically challenging whether the assumptions in management's forecasts appear realistic, achievable, and consistent with other internal and external evidence, including market and industry data. • Assessing whether management's calculations, including the methodology upon which they are based, have been made in accordance with IAS 36: Impairment of Assets for any impairment recognition. • Testing whether the assumptions applied in management's forecasts were consistent with those applied elsewhere in the financial statements, such as for going concern, and were consistent with those used in the Group's two-year forecast approved by the Board. • Comparing forecast sales with recent historical information to consider the accuracy of forecasting to assess whether they are consistent with those assumed in management's forecasts. • Comparing the discount rate used with that independently calculated by our internal valuation expert. • Challenging management's allocation of central costs and assets within their forecast models. • Performing sensitivity analysis by further sensitising the models to take account of reasonably possible scenarios that could arise from the risks identified. • Critically evaluating the appropriateness of the disclosures made, including in respect of the key source of estimation uncertainty and sensitivity analysis, and assessing whether the disclosures within the financial statements comply with the requirements of IAS 36.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUIZ PLC CONTINUED

OUR APPLICATION OF MATERIALITY

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group
Overall materiality	£814,000 (2023: £850,000)
Basis for determining overall materiality	1% of revenue
Rationale for benchmark applied	Management and stakeholders are focused on growing revenues back to capacity of the business. In our professional judgement we consider revenue to be the most appropriate benchmark to determine materiality given that it is a more stable measure than (loss)/profit before tax
Performance materiality	£529,000 (2023: £425,000)
Basis for determining performance materiality	65% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £41,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

The Group consists of 8 components, all of which are based in the UK with operations in the Republic of Ireland.

The coverage achieved by our audit procedures was:

	Number of components	Revenue	Total assets	Profit before tax
Full scope audit	2	93%	80.6%	90.7%
Specific audit procedures	3	7%	15.1%	7.9%
Total		100.0%	95.7%	98.6%

Specific audit procedures for three components were undertaken due to their significance to group. Specific procedures were performed in respect of intangible assets, inventory, cash, revenue and purchases.

Analytical procedures at group level were performed for the remaining 3 components.

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 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the company or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have failed to obtain any information or explanation that, to the best of our knowledge and belief, was necessary for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 39, 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 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 to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework, that the group operates in and how the group is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

The most significant laws and regulations were determined as follows:

Legislation/ Regulation	Additional audit procedures performed by the Group audit engagement team included:
IFRS and Companies (Jersey) Law 1991	Review of the financial statement disclosures and testing to supporting documentation; Completion of disclosure checklists to identify areas of non-compliance.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the Group audit engagement team:
Revenue recognition - existence and valuation	We documented and carried out walk through tests on the systems and controls relevant to revenue. We used data analytics tools to: • Identify and investigate transactions posted to nominal ledger codes outside of the normal revenue cycle • Match revenue recognized in the nominal ledger to bank statement receipts We tested other revenue transactions substantively, agreeing to supporting documentation and evidence.
Management override of controls	We tested the appropriateness of journal entries and other adjustments; We assessed whether the judgements made in making accounting estimates, in particular impairment of assets and inventory provisioning, are indicative of a potential bias; and We evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
Valuation of inventory	We reviewed post year end trading activity to compare net realisable value with the carrying value at the reporting date to test whether the provision applied by management is free from material misstatement either as a result of error or bias. We reviewed and challenged the reasonableness and appropriateness of the policy and current year's inventory provision, mainly the percentages applied to each season of stock. We also considered the reasonableness of the prior year inventory provision by reviewing trading throughout the period to identify any issues that may also be applied to the current year provisioning exercise.
Impairment of assets	See Key Audit Matter above

A further description of our responsibilities for the audit of the financial statements is included in appendix 1 of this auditor's report. This description, which is located at page 47, forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUIZ PLC CONTINUED

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.

Finlay Lamont
For and on behalf of RSM UK AUDIT LLP, Auditor
Chartered Accountants
Fifth Floor
29 Wellington Street
Leeds
LS1 4DL

28 August 2024

APPENDIX 1: AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, we report these conclusions in the auditor's report. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard as applied to listed entities, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2024

	Notes	**2024 £000**	2023 £000
Continuing operations			
Revenue	2	**81,957**	91,680
Cost of sales		**(30,976)**	(35,166)
Gross profit		**50,981**	56,514
Recurring administrative costs		**(44,218)**	(41,728)
Non-recurring administrative costs	3	**(1,512)**	–
Total administrative costs		**(45,730)**	(41,728)
Distribution costs		**(11,422)**	(12,544)
Other operating income		**212**	214
Total operating costs		**(56,940)**	(54,058)
Operating (loss)/profit	5	**(5,959)**	2,456
Finance income	6	**79**	89
Finance costs	6	**(830)**	(248)
(Loss)/profit before income tax		**(6,710)**	2,297
Income tax credit/(charge)	7	**435**	(260)
(Loss)/profit for the year		**(6,275)**	2,037
Other comprehensive (expense)/income			
Foreign currency translation differences – foreign operations		**(72)**	138
(Loss)/profit and total comprehensive (expense)/income for the year attributable to owners of the parent		**(6,347)**	2,175
(Loss)/profit per share			
Basic and diluted earnings per share	8	**(5.05)p**	1.64p

All of the above income is attributable to the shareholders of the parent company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	Notes	**31 March 2024 £000**	31 March 2023 £000
Assets			
Non-current assets			
Property, plant and equipment	10	**5,912**	4,688
Right-of-use assets	11	**8,417**	6,523
Intangible assets	12	**2,486**	2,703
Deferred tax assets	18	**1,103**	957
Total non-current assets		**17,918**	14,871
Current assets			
Inventories	13	**11,259**	12,322
Trade and other receivables	14	**9,950**	7,429
Cash and cash equivalents	23	**284**	7,575
Total current assets		**21,493**	27,326
Total assets		**39,411**	42,197
Liabilities			
Current liabilities			
Trade and other payables	15	**(12,563)**	(12,602)
Borrowings	16	**(2,327)**	(1,410)
Lease liabilities	11	**(3,732)**	(1,909)
Derivative financial liabilities	17	**(36)**	(65)
Corporation tax payable		**–**	(291)
Total current liabilities		**(18,658)**	(16,277)
Non-current liabilities			
Lease liabilities	11	**(6,129)**	(4,967)
Deferred tax liabilities	18	**–**	(20)
Total non-current liabilities		**(6,129)**	(4,987)
Total liabilities		**(24,787)**	(21,264)
Net assets		**14,624**	20,933
Equity			
Called-up share capital	20	**373**	373
Share premium	20	**10,315**	10,315
Merger reserve	20	**1,130**	1,130
Retained earnings	20	**2,806**	9,115
Total shareholders' funds		**14,624**	20,933

These financial statements of QUIZ plc, registered number 123460, on pages 48 to 72 were approved by the Board of Directors and authorised for issue on 28 August 2024 and were signed on its behalf by:

SHERAZ RAMZAN
Chief Executive
28 August 2024

GERARD SWEENEY
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2024

	Notes	Share capital £000	Share premium £000	Merger reserve £000	Retained earnings £000	Total £000
At 1 April 2022		373	10,315	1,130	6,885	18,703
Profit and total comprehensive income for the year		–	–	–	2,175	2,175
Share-based payments charge	21	–	–	–	55	55
At 31 March 2023		373	10,315	1,130	9,115	20,933
Loss and total comprehensive expense for the year		–	–	–	(6,347)	(6,347)
Share-based payments charge	21	–	–	–	38	38
At 31 March 2024		**373**	**10,315**	**1,130**	**2,806**	**14,624**

All equity is attributable to the owners of the parent for both financial years.

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2024

	Note	**Year ended 31 March 2024 £000**	Year ended 31 March 2023 £000
Operating activities			
Cash generated by operations			
(Loss)/profit for the year		**(6,275)**	2,037
Adjusted for:			
Depreciation of property, plant and equipment		**1,837**	1,263
Depreciation of right-of-use assets		**2,872**	1,898
Amortisation of intangible assets		**602**	589
Impairment of property, plant and equipment		**935**	–
Impairment of right-of-use assets		**400**	–
Impairment of intangible assets		**177**	–
Share-based payment charges		**37**	55
Exchange movement		**(68)**	126
Finance income		**(79)**	(89)
Finance costs		**830**	248
Income tax (credit)/charge		**(435)**	260
Decrease/(increase) in inventories		**1,063**	(612)
Increase in receivables		**(2,537)**	(1,384)
(Decrease)/increase in payables		**(68)**	1,136
Net cash (used)/generated from operating activities		**(709)**	5,527
Interest paid		**(129)**	(18)
Income taxes (paid)/refunded		**(12)**	417
Net cash (outflow)/inflow from operating activities		**(850)**	5,926
Investing activities			
Payments to acquire intangible assets		**(562)**	(510)
Payments to acquire property, plant and equipment		**(3,996)**	(1,965)
Interest received		**79**	89
Net cash outflow from investing activities		**(4,479)**	(2,386)
Financing activities			
Borrowings drawn		**336**	–
Borrowings repaid		**–**	(10)
Payment of obligations under leases		**(2,874)**	(1,807)
Net cash outflow from financing activities	22	**(2,538)**	(1,817)
Net (decrease)/increase in cash and cash equivalents		**(7,867)**	1,723
Cash and cash equivalents at beginning of year		**7,575**	5,840
Effect of foreign exchange rates		**(5)**	12
Cash and cash equivalents at end of year		**(297)**	7,575

The Group considers bank overdrafts (see note 16) to be an integral part of its cash management activities and these are included in cash and cash equivalents for the purposes of the cash flow statement.

NOTES TO THE GROUP FINANCIAL STATEMENTS

Year ended 31 March 2024

1 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

QUIZ plc (the "parent company") is a public limited company, incorporated and domiciled in Jersey. It is listed on AIM. The registered office of the Company is 22 Grenville Street, St Helier, Jersey, Channel Islands E4 8PX, and the principal activities and nature of the Group's operations are set out in the Strategic Report on pages 1 to 25.

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards and the Companies (Jersey) Law 1991.

The financial statements are presented in Pounds Sterling, which is the functional currency of the Group, because that is the currency of the primary economic environment in which the Group operates. Monetary amounts in these financial statements are rounded to the nearest thousand. Foreign operations are included in accordance with the policies set out below.

The annual financial statements have been prepared on the historical cost basis, except for certain financial instruments which are carried at fair value.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries, the "Group") made up to 31 March each year. Control is achieved where the Company is exposed or has the right to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Amounts in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Going concern

The financial position of the Group, its cash flows and liquidity position are set out in the financial statements. Furthermore, the Group financial statements include the Group's objectives and policies for managing its capital, its financial risk management objectives, details of its financial instruments and exposure to credit and liquidity risk (please refer to note 25).

Background and context

The Directors have prepared an assessment of going concern including a detailed forecast with a supporting business plan for the period to 31 March 2027 to determine whether the Group will have adequate resources to enable it to operate as a going concern.

When preparing this forecast, the Directors considered the current trading levels and financial performance, which have been consistent with management's expectation, and the outlook for the Group against the detailed base case scenario and further downside scenarios.

At 31 March 2024, the Group had cash of £0.3 million and £1.7 million of unutilised banking facilities (2023: £6.2 million of net cash and £2.1 million of unutilised banking facilities).

Borrowing facilities

The Group has £4.0 million of banking facilities, which expire on 30 June 2025. These facilities comprise a £2.0 million overdraft and £2.0 million working capital facility. There are no financial covenants associated with these facilities, which are reviewed annually. Whilst the facilities are repayable on demand the Directors believe that these facilities will be available to the Group through to 30 June 2025 and that they will be renewed in due course.

In addition, discussions have commenced with Tarak Ramzan, the Company's founder and largest shareholder with regards to the provision of a £1.0m loan facility to provide additional liquidity headroom for working capital purposes. The terms of the loan facility will be subject to an independent review (and will constitute a related party transaction for the purpose of the AIM rules) in order to ensure that they are on an arms-length basis before they can be approved by the Board's Independent directors. Details will be announced in due course in the event that terms are agreed.

The Group had a net cash balance of £2.3 million at 28 August 2024, being a £0.4 million cash balance and £1.9 million of unutilised banking facilities.

Forecast scenarios

The Directors have reviewed management's detailed forecast and supporting business plan for the twelve months from the date when these financial statements are authorised to be issued. The forecasts have been produced on the following basis:

- Base Case Scenario - given the continued cost of living pressures impacting consumers the Base Case Scenario assumes sales through stores, concessions and the QUIZ website will be at a similar level to the previous year on a like-for-like basis in the period to September 2024. Thereafter sales are forecast to be at a higher level on a like-for-like basis with uplifts for stores and concessions of up to 12.5% in the period to 31 March 2025 up to 10.0% in the six months to 30 September 2025. This reflects the anticipated benefit of a number of current initiatives including the recalibration of the QUIZ product proposition, the elevation of the QUIZ brand to be viewed as a more aspirational destination brand, achieving International revenue growth and the continued management of our product and other costs. The assumed sales levels are broadly consistent with those generated in the four months to 31 July 2024. Gross margins and operating costs are assumed to be at a similar level to the prior year other than for certain targeted cost savings to be implemented from October 2024.

1 SIGNIFICANT ACCOUNTING POLICIES continued

- Downside Scenario – given the Base case reflects the benefit of certain initiatives being realised and due to the continued macroeconomic pressures there remains uncertainty with regards achieving these targets, a scenario has been modelled that assumes that none of the anticipated growth on a like-for-like basis on store, concessions and QUIZ web sales is realised and the full scope of the cost reduction programme are not achieved.

Within each forecast, management have reflected outstanding financial commitments and the impact of previously realised cost savings. There are no further anticipated savings incorporated in response to any downside scenario for reduced revenues. Further actions could be undertaken to mitigate against any shortfalls arising from these scenarios. These include securing additional lending facilities, raising funds through a share capital issue, ceasing or suspending loss-making activities and optimising working capital.

Neither the Base Case Scenario or Downside Scenario include any expected cash outflow related to the contingent liability disclosed as part of note 29.

The Base Case Scenario indicates the Group will remain within its anticipated available banking facilities, being the current bank facilities, through the next twelve month period.

Without any mitigating factors or contingency, under the Downside Scenario which the Directors consider to be a reasonably possible scenario with regards to sales and missing cost savings the Group would have limited headroom, based on its existing bank facilities and the additional £1 million facility from Tarak Ramzan being available, at certain points in the year and would potentially require funding in excess of these facilities shortly after the twelve month period. Should there be a decline in sales on a like-for-like basis the Group would require funding in excess of these facilities in the forthcoming twelve month period. However, the Group continues to manage its cash flow and is considering further options to improve liquidity.

Going concern basis

The financial statements continue to be prepared on the going concern basis. This conclusion is based on the Group's current forecasts and mitigating actions available. With the continued challenges in the macro environment and the sensitivity of management's assessment to reasonably possible downside scenarios, coupled with the headroom on the existing bank facilities, the Directors note there exists a material uncertainty related to Going Concern.

This may cast significant doubt over the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business. The material uncertainty related to Going Concern arises due to:

- The limited headroom within the existing funding facilities in the context of an uncertain macro-economic environment and the sensitivity of management's assessment to reasonably possible downside scenarios in lieu of any additional financing;
- The availability of committed banking facilities until 30 June 2025, which is less than twelve months from the date when these financial statements are authorised to be issued.

After considering the forecasts, sensitivities and mitigating actions available to Group management and having regard to the risks and uncertainties to which the Group is exposed (including the material uncertainty referred to above), the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, and operate within its anticipated borrowing facilities for the period twelve months from the date when these financial statements are authorised to be issued. Accordingly, the financial statements continue to be prepared on the going concern basis.

Intangible assets

Goodwill

The goodwill arose when Shoar (Holdings) Limited acquired the entire share capital of Tarak Retail Limited in 2012 and reflects the difference between the fair value of the consideration transferred and the fair value of assets and liabilities acquired. Goodwill is not amortised. Instead, goodwill is tested annually for impairment or if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses.

Other intangible assets

Intangible assets purchased are recognised when future economic benefits are probable and are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised to profit or loss on a straight-line basis over their useful lives, as follows:

Computer software	between 5 and 10 years
Trademarks	10 years

Amortisation is revised prospectively for any significant change in useful life or residual value. On disposal, the difference between the net disposal proceeds and the carrying amount of the intangible asset is recognised in profit or loss.

All amortisation has been charged to administrative expenses in the statement of comprehensive income.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

1 SIGNIFICANT ACCOUNTING POLICIES continued

Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost or valuation of each asset to its estimated residual value on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	straight line over the life of the lease
Computer equipment	between 5 and 15 years
Fixtures, fittings and equipment	between 5 and 15 years
Motor vehicles	between 4 and 5 years

All depreciation has been charged to administrative expenses in the statement of comprehensive income.

Low value leases

Where the lease term is twelve months or less and the lease does not contain an option to purchase the leased asset, lease payments are recognised as an expense on a straight-line basis over the lease term.

Right-of-use assets and lease liabilities

The Group recognises right-of-use assets and lease liabilities at the lease commencement date. The lease liabilities are initially measured at the present value of the lease payments that are not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate and this rate is determined on a portfolio basis and based on the lease term, in relation to asset type and location.

Lease liabilities are subsequently measured at amortised cost and are increased by the interest charge and decreased by the lease payments made. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee or, as appropriate, changes in the assessment of whether a renewal or purchase option is reasonably certain to be exercised or a break clause is reasonably certain not to be exercised. The Group has applied judgement to determine the lease term for those lease contracts that include a renewal or break option.

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

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

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

For all other lease modifications, the adjustment to the lease liability is recognised as an adjustment to the right-of-use asset.

Right-of-use assets are initially measured at cost, which is an amount equal to the corresponding lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs and dismantling or restoration costs, less any lease incentives received.

Right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses, adjusted for certain remeasurements of the lease liabilities. Depreciation is calculated on a straight-line basis over the expected useful economic life of a lease which is taken as the lease term.

Impairment of property, plant and equipment, right-of-use assets and intangible assets

Property, plant and equipment, right-of-use assets and intangible assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Management performs an impairment review for each cash-generating unit ("CGU") that has indicators of impairment. When a review for impairment is conducted, the recoverable amount of an asset or CGU is determined based on value-in-use calculations using the Board approved budget and future outlook and is discounted using the weighted average cost of capital. Forecasts beyond the period of the approved budget are based on management's assumptions and best estimates. The value-in-use calculation for store CGUs and other leased assets are based on the remaining lease length of each store or asset.

Future events could cause the forecasts and assumptions used in impairment reviews to change with a consequential adverse impact on the results and net position of the Group as actual cash flows may differ from forecasts and could result in further material impairments in future years.

The Directors consider each revenue channel/stream to be a CGU; being stores, concessions, online and international. In determining the anticipated contribution from stores each individual store is considered to be a separate CGU. In the current year we have performed an impairment review for each CGU. The discount rate used in the value-in-use calculation is the Group's pre-tax weighted average cost of capital of 14.6% (2023: 10%).

For the year ended 31 March 2024 an impairment charge of £1.5 million was recognised (2023: £nil).

1 SIGNIFICANT ACCOUNTING POLICIES continued

Revenue recognition

Revenue comprises sales of goods to customers outside the Group less an appropriate deduction for actual and expected returns and is stated net of discounts and value added tax. Revenue is recognised when performance obligations are satisfied and goods are delivered to our franchise partners or the customer and the control of goods is transferred to the buyer.

Retail revenue is recognised on the sale of a product to the customer.

Wholesale revenue is recognised when title has passed in accordance with the individual terms of trade. Principally, revenue is recognised either when goods are dispatched from the Group's distribution centres, or when the Group has delivered the goods to the location specified in the contract.

For store and concession retail revenue, control transfers when the customer takes possession of the goods in store or concession and pays for the goods.

For online retail revenue, control is considered to transfer when the goods are dispatched for delivery to the customer.

Sales of gift vouchers are treated as future liabilities, and revenue is recognised when the gift vouchers are redeemed against a later transaction.

Returns

Cash refunds are available to customers returning unwanted products with proof of purchase within 14 days of the date of purchase in store and within 28 days from the date of receipt for online sales.

Present obligations for the actual and estimated customer returns are as recognised liabilities when it is probable that the Group will be required to settle the obligation under sales contracts. Returns provisions in existence at the balance sheet date are expected to be utilised within twelve months; the provision is recalculated at each balance sheet date taking into account recent sales and anticipated levels of returns.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other years or never taxable or deductible. Current tax assets and liabilities are measured using the tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised using the balance sheet liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amount in the historical financial information. Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and liabilities are offset against each other when there is a legally enforceable right to set off current tax assets against current tax liabilities and it is the intention to settle these on a net basis.

Current and deferred tax is charged or credited in the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction for the event it relates to and is also charged or credited to other comprehensive income or equity.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. At each reporting date, the impairment of stock is assessed. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss.

Finance income and finance costs

Finance income and finance costs include interest income and expense. Interest income is accrued on a time-apportioned basis, by reference to the principal outstanding at the effective interest rate.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or are capitalised as an intangible fixed asset or property, plant and equipment.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions paid are shown as either accruals or prepayments.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

1 SIGNIFICANT ACCOUNTING POLICIES continued

Foreign currency transactions

Functional and presentation currency

The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which it operates (its functional currency). For the consolidated financial statements, the results and financial position of each subsidiary are expressed in Pounds Sterling, which is the functional currency of the Company and the presentational currency for the Group.

Transactions and balances

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in opening currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, being the Board of Directors. The chief operating decision maker is responsible for allocating resources and assessing performance of operating segments.

The Directors consider that there are no identifiable business segments that are subject to risks and returns different to the core business. The information reported to the Directors, for the purposes of resource allocation and assessment of performance, is based wholly on the overall activities of the subsidiaries.

The Directors have therefore determined that there is only one reportable segment under IFRS 8. The results and assets for this segment can be determined by reference to the statement of comprehensive income and statement of financial position.

Financial instruments

Recognition of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial and subsequent measurement of financial assets

Trade receivables are initially measured at their transaction price. Group and other receivables are initially measured at fair value plus transaction costs. Receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less and overdrawn balances where the there is an appropriate right of set off.

Trade receivables

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on increments of being 90 days overdue.

For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the ageing of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables. Different provision rates are used based on groupings of historical credit loss experience by product type, customer type and location. Trade receivables are considered to be in default on an individual basis, based on various indicators, such as significant financial difficulty or expected bankruptcy.

Financial liabilities and equity

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

1 SIGNIFICANT ACCOUNTING POLICIES continued

Initial and subsequent measurement of financial liabilities

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

Bank borrowings and bank overdrafts

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

Equity instruments

Equity instruments issued by the Company are recorded at fair value on initial recognition net of transaction costs.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Derecognition of financial assets (including write-offs) and financial liabilities

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

When there is no reasonable expectation of recovering a financial asset it is derecognised ("written off"). The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires. Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in profit or loss.

Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency exposures. The Directors do not follow hedge accounting principles. Derivative financial instruments are recorded at fair value at the end of each reporting year with gains and losses recorded in the statement of comprehensive income.

Share-based payments

Equity-settled share-based payments issued to employees are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 21.

The fair value determined is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest. At each balance sheet date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity.

If employees surrender their rights to previously granted equity instruments, the fair value of the equity-settled share-based payment not previously expensed in the statement of comprehensive income is expensed.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

Critical accounting estimates and judgements

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

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

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

1 SIGNIFICANT ACCOUNTING POLICIES continued

Information about such estimates, assumptions and judgements are contained in the individual accounting policies disclosed above. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Impairment of property, plant and equipment, right-of-use assets and intangible assets

Property, plant and equipment, right-of-use assets and intangible assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Management performs an impairment review for each cash generating unit ("CGU") that has indicators of impairment. When a review for impairment is conducted, the recoverable amount of an asset or CGU is determined based on value-in-use calculations using the Board approved budget and future outlook and is discounted using the weighted average cost of capital. Forecasts beyond the period of the approved budget are based on management's assumptions and estimates.

Future events could cause the forecasts and assumptions used in impairment reviews to change with a consequential adverse impact on the results and net position of the Group as actual cash flows may differ from forecasts and could result in further material impairments in future years.

The Directors consider each revenue channel/steam to be a CGU; being stores, concessions, online and international. In determining the anticipated contribution from stores each individual store is considered to be a separate CGU. In the current year we have performed an impairment review for each CGU.

The carrying value and impairment charge recognised for the year is shown in Notes 3, 10, 11 and 12. For the year ended 31 March 2024, an impairment charge of £1.5 million has been recognised in light of the reduced profitability of the Group for the year and lower expectations in the relevant forecasts for each CGU compared to those used in the prior year impairment review (2023: £Nil).

Impairment of store CGU assets

Management has assessed whether impaired and unprofitable stores require an impairment charge with regard to their right-of-use and property, plant and equipment assets. This is recognised when the Group believes that the unavoidable costs of meeting or exiting the lease obligations exceed the benefits expected to be received under the lease.

The charge in the year based on anticipated future cash flows from stores amounted to £410,000 (2023: £Nil). £203,000 of the charge is attributable to property, plant and equipment and £207,000 to right-of-use assets. The charge was split between four individual store CGUs.

The recoverable amount is based on the value in use. Value in use is calculated from expected future cash flows using suitable discount rates being 14.6% (2023: 10%) and includes management assumptions and estimates of future performance. Store asset carrying values are considered net of the carrying value of any cash contribution received in relation to that store. The cash flows are modelled for each store through to the lease expiry date. Cash flows beyond the two-year board approved forecasts are extrapolated at a 0% growth rate. No lease extensions have been assumed in the modelling.

Impairment of corporate/central assets

Further to the assessment of each CGU there was a impairment charge of £1,102,000; £177,000 in relation to intangible assets, £732,000 property, plant and equipment and £193,000 right-of-use assets held at a Group level which support the cash generating units operations. The impairment charge was split between 21 individual store CGUs totalling £939,000 and the Irish concessions CGU totalling £163,000.

The recoverable amount is based on the value in use. Value in use is calculated from expected future cash flows using suitable discount rates being 14.6% (2023: 10%) and includes management assumptions and estimates of future performance. The cash flows are modelled for each cash generating unit using two years of board approved forecasts, extrapolated at a 0-2% growth rate for years three to five, and a terminal growth rate of 2%. Corporate/central costs and assets are allocated to CGUs based on either revenue generated or the proportion of costs directly attributable to the CGU.

Sensitivities

Management has performed sensitivity analysis on the key assumptions in the impairment model using reasonably possible changes in these key assumptions. A reduction in sales of 5% from that assumed and a 5% increase in the discount rate used would increase the impairment charge by £0.5 million and £0.1 million respectively. This is the total increase across both stages of the impairment review.

Inventory provision

Provision is made for those items of inventory where the net realisable value is estimated to be lower than cost. Net realisable value is based on both historical experience and assumptions regarding future selling prices and is consequently a source of estimation uncertainty.

In the current year, management performed an assessment of all inventory, taking into consideration current sales and forecast sell-through plans to consider the impact on the period-end stock holding. The provision for aged inventory is calculated by providing for 25% of inventory that is more than three seasons old and providing for 88% of inventory that is more than three years old. Given the potential for demand to be impacted going forward the Group has provided up to 5% of the remaining inventory in the current year. Given this approach the provision for aged inventory totalled £1,487,000 at 31 March 2024 (2023: £1,675,000).

New standards, amendments and interpretations adopted by the Group

Where applicable, the Group have adopted new accounting standards, amendments or interpretations effective for the current financial year. The Group have not adopted any new or amended standards early. The impact of these standards is not considered material for the current financial year.

Accounting standards in issue but not yet effective

At the date of issue of these financial statements, there are several standards and interpretations issued by the IASB that are effective for financial statements after this reporting period. Of these new standards, amendments and interpretations, there are none which are expected to have a material impact on the Group's consolidated financial statements.

2 REVENUE

An analysis of revenue by source and geographical location is as follows:

	2024 £000	2023 £000
UK Stores and concessions	**41,640**	45,451
Online	**24,517**	29,872
International	**15,800**	16,357
	81,957	91,680

	2024 £000	2023 £000
United Kingdom	**65,729**	75,077
Rest of the world	**16,228**	16,603
	81,957	91,680

The Group did not have any customers that comprised more than 10% of revenues generated in both financial years.

As disclosed in the accounting policies on page 56, the Directors have determined that there is only one reportable segment under IFRS 8.

3 NON-RECURRING ADMINISTRATIVE COSTS

Non-recurring administrative costs comprise:

	2024 £000	2023 £000
Impairment of right-of-use assets	**400**	–
Impairment of intangible assets	**177**	–
Impairment of property, plant and equipment	**935**	–
	1,512	–

The Directors consider each revenue channel/stream to be a CGU; being stores, concessions, online and international. In determining the anticipated contribution from stores each individual store is considered to be a separate CGU. In the current year we have performed an impairment review for each CGU.

For the year ended 31 March 2024, an impairment charge of £1.5 million has been recognised in light of the reduced profitability of the Group for the year and lower expectations in the relevant forecasts for each CGU compared to those used in the prior year impairment review (2023: £Nil).

4 EMPLOYEE BENEFIT EXPENSES

Employment costs and average monthly number of employees (including Directors) during the year were as follows:

	2024 £000	2023 £000
Wages and salaries	**16,353**	14,970
Social security costs	**1,265**	1,142
Other pension costs	**360**	257
Agency costs	**3,192**	2,857
Share-based payment charges	**38**	55
	21,208	19,281

	No.	No.
Retail	**750**	727
Distribution	**100**	98
Administration	**145**	150
	995	975

Included above is £684,000 in respect of Directors' remuneration (2023: £697,000). Further details on Directors' remuneration by individual can be found in the Directors' Remuneration Report on pages 35 to 37.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

5 OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2024 £000	2023 £000
Cost of inventories recognised as an expense	**30,976**	35,166
Share based payments charges	**38**	55
Depreciation of property, plant and equipment	**1,837**	1,263
Impairment of property, plant and equipment	**935**	–
Depreciation of right-of-use assets	**2,872**	1,898
Impairment of right-of-use assets	**400**	–
Amortisation of intangible assets	**602**	589
Impairment of intangible assets	**177**	–
Short-term and variable lease costs	**1,358**	2,257
Foreign exchange losses	**88**	86

Included in the above are the costs associated with the following services provided by the Company's auditors:

	2024 £000	2023 £000
Audit services		
Audit of the Company and the consolidated financial statements	**65**	59
Audit of the Company's subsidiaries	**112**	100
Total audit fees	**177**	159
All other services	**11**	8
Total fees payable to the Company's auditors	**188**	167

6 FINANCE INCOME AND COSTS

	2024 £000	2023 £000
Interest on cash deposits	**79**	89
Finance income	**79**	89

	2024 £000	2023 £000
Interest on lease liabilities	**701**	231
Interest on loans and overdrafts	**129**	17
Finance costs	**830**	248

7 INCOME TAX (CREDIT)/CHARGE

	2024 £000	2023 £000
UK corporation tax – current year	(176)	393
UK corporation tax – prior year	(407)	(53)
Foreign tax	28	19
Deferred tax – current year	(301)	104
Deferred tax – prior year	421	(203)
Tax (credit)/charge on profit	(435)	260
Reconciliation of effective tax rate		
(Loss)/profit before taxation	(6,710)	2,297
(Loss)/profit multiplied by standard rate of UK corporation tax of 25% (2023: 19%)	(1,678)	436
Expenses not deductible for tax purposes	102	43
Change in unrecognised deferred tax assets	1,035	32
Impact of overseas tax rate	74	(18)
Write down of previously recognised deferred tax asset	–	23
Adjustments to previous years	32	(256)
	(435)	260

8 EARNINGS PER SHARE

Number of shares:	2024 No.	2023 No.
Weighted number of ordinary shares outstanding – basic and diluted	124,230,905	124,230,905

Earnings:	£000	£000
(Loss)/profit	(6,275)	2,037

Earnings per share:	Pence	Pence
Basic (loss)/earnings per share	(5.05)	1.64

Diluted earnings per share is the same as the basic earnings per share in both the current and prior year as the average share price during the year was less than the exercise price applicable to the outstanding options and therefore the outstanding options were not dilutive.

9 DIVIDENDS

No dividends in respect of 2024 were declared or are proposed (2023: £nil).

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

10 PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements £000	Motor vehicles £000	Computer equipment £000	Fixtures, fittings and equipment £000	Total £000
Cost					
At 1 April 2023	792	137	1,698	15,822	18,449
Additions	117	20	469	3,390	3,996
Disposals	–	–	(6)	(287)	(293)
At 31 March 2024	909	157	2,161	18,925	22,152
Depreciation and impairment					
At 1 April 2023	573	99	1,150	11,939	13,761
Depreciation charge	160	17	270	1,390	1,837
Impairment charge	25	6	59	845	935
Disposals	–	–	(6)	(287)	(293)
At 31 March 2024	758	122	1,473	13,887	16,240
Net book value					
At 31 March 2024	151	35	688	5,038	5,912
At 31 March 2023	219	38	548	3,883	4,688

	Leasehold improvements £000	Motor vehicles £000	Computer equipment £000	Fixtures, fittings and equipment £000	Total £000
Cost					
At 1 April 2022	601	133	1,583	14,799	17,116
Additions	199	18	133	1,616	1,966
Disposals	(8)	(14)	(18)	(593)	(633)
At 31 March 2023	792	137	1,698	15,822	18,449
Depreciation and impairment					
At 1 April 2022	416	91	967	11,657	13,131
Charge	165	22	201	875	1,263
Disposals	(8)	(14)	(18)	(593)	(633)
At 31 March 2023	573	99	1,150	11,939	13,761
Net book value					
At 31 March 2023	219	38	548	3,883	4,688
At 31 March 2022	185	42	616	3,142	3,985

Impairment review

Assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable and provision is made where necessary. The method and assumptions used in these calculations, together with the associated sensitivities and reasons for impairment, are set out in the basis of preparation – critical accounting estimates and judgements on pages 57 and 58. Any impairment charge/(reversal) is charged to administrative costs in the consolidated statement of comprehensive income.

11 RIGHT-OF-USE ASSET AND LEASE LIABILITIES

	Property £000
Cost	
At 1 April 2023	**8,888**
Additions	**4,686**
Re-measurement adjustments (1)	**948**
Disposals	**(1,011)**
At 31 March 2024	**13,511**
Depreciation and impairment	
At 1 April 2023	**2,365**
Depreciation charge	**2,872**
Impairment charge	**400**
Disposals	**(543)**
At 31 March 2024	**5,094**
Net book value	
At 31 March 2024	**8,417**
At 31 March 2023	**6,523**

(1) Re-measurement adjustments have primarily arisen due to not exercising break clauses and changes in rental amounts.

	Property £000
Cost	
At 1 April 2022	3,872
Additions	7,313
Disposals	(2,297)
At 31 March 2023	8,888
Depreciation and impairment	
At 1 April 2022	2,764
Charge	1,898
Disposals	(2,297)
At 31 March 2023	2,365
Net book value	
At 31 March 2023	6,523
At 31 March 2022	1,108

The Group presents lease liabilities separately within the statement of financial position. The movement in the year comprised:

	2024 £000	2023 £000
At 1 April 2023	**6,876**	1,139
Additions	**4,686**	7,313
Re-measurement adjustments	**948**	–
Disposals	**(476)**	–
Interest expense related to lease liabilities	**701**	231
Repayment of lease liabilities (including interest)	**(2,874)**	(1,807)
At 31 March 2024	**9,861**	6,876
Current lease liabilities	**3,732**	1,909
Non-current lease liabilities	**6,129**	4,967

The impairment charge is charged to administrative costs in the consolidated statement of comprehensive income and arises due to changes in the trading performance of the shops.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

11 RIGHT-OF-USE ASSET AND LEASE LIABILITIES continued

The maturity of the above leases, all of which relate to property, is disclosed in note 25.

Leases relate to the use of the Group's Head Office, Distribution Centre and a number of its retail stores. Lease arrangements in respect of retail stores include a combination of leases with fixed rents which are reflected in the right-of –use assets and the associated lease liabilities and leases where charges are related to the revenues generated in the relevant retail stores. Costs in the year in respect of leases with fixed rentals amounted to £2,538,000 (2023: £2,129,000) and £1,358,000 in respect of leases with charges related to the revenue generated within that store (2023: £2,257,000).

Short-term operating leases

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable leases which fall due as follows:

	2024 £000	2023 £000
Within one year	**53**	85

12 INTANGIBLES

	Goodwill £000	**Computer software £000**	**Trademarks £000**	**Total £000**
Cost				
At 1 April 2023	**6,175**	**4,337**	**165**	**10,677**
Additions	**–**	**562**	**–**	**562**
At 31 March 2024	**6,175**	**4,899**	**165**	**11,239**
Amortisation and impairment				
At 1 April 2023	**5,248**	**2,632**	**94**	**7,974**
Amortisation charge	**–**	**586**	**16**	**602**
Impairment charge	**–**	**177**	**–**	**177**
At 31 March 2024	**5,248**	**3,395**	**110**	**8,753**
Net book value				
At 31 March 2024	**927**	**1,504**	**55**	**2,486**
At 31 March 2023	**927**	**1,705**	**71**	**2,703**

	Goodwill £000	Computer software £000	Trademarks £000	Total £000
Cost				
At 1 April 2022	6,175	3,827	165	10,167
Additions	–	510	–	510
At 31 March 2023	6,175	4,337	165	10,677
Amortisation and impairment				
At 1 April 2022	5,248	2,060	77	7,385
Charge	–	572	17	589
At 31 March 2023	5,248	2,632	94	7,974
Net book value				
At 31 March 2023	927	1,705	71	2,703
At 31 March 2022	927	1,767	88	2,782

The goodwill arose when Shoar (Holdings) Limited acquired the entire share capital of Tarak Retail Limited in 2012 and reflects the difference between the fair value of the consideration transferred and the fair value of assets and liabilities purchased. Goodwill is assessed for impairment by comparing the carrying value to value-in-use calculations. Value in use has been estimated using cash flow projections based on detailed budgets and forecasts over the period of two years, with a growth rate of 2% (2023: decline of 15%) and a pre-tax discount rate of 14.6% (2023: 10%) applied, being the Directors' estimate of the Group's cost of capital. The budgets and forecasts are based on historical data and the past experience of the Directors as well as the future plans of the business. No reasonable change in any of the assumptions would result in an impairment charge and therefore no sensitivity analysis is disclosed.

13 INVENTORIES

	2024 £000	2023 £000
Finished goods and goods for resale	**11,259**	12,322

The cost of inventories recognised as an expense during the year in respect of continuing operations amounted to £30,976,000 (2023: £35,166,000). The cost of inventories included a net credit in respect of write-downs of inventory to net realisable value of £188,000 (2023: credit of £875,000). Inventories are stated after provisions for impairment of £1,487,000 (2023: £1,675,000).

14 TRADE AND OTHER RECEIVABLES

	2024 £000	2023 £000
Trade receivables – gross	**3,372**	3,292
Less allowance for expected credit losses (calculated under IFRS 9)	**(417)**	(333)
Trade receivables – net	**2,955**	2,959
Other receivables	**1,782**	2,113
Prepayments and accrued income	**5,213**	2,357
	9,950	7,429

The Directors consider that the fair value of trade and other receivables is not materially different from their carrying value. Standard payment terms with customers that receive credit are 30 days. Impairment losses on trade receivables are presented as net impairment losses within administrative costs. Further details regarding credit risk are disclosed in Note 25.

15 TRADE AND OTHER PAYABLES

	2024 £000	2023 £000
Trade payables	**9,513**	7,116
Other taxes and social security costs	**710**	1,610
Accruals	**1,042**	2,585
Other payables	**1,298**	1,291
	12,563	12,602

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing operating costs. The Directors consider that the fair value of trade and other payables is not materially different from their carrying value.

Included within other payables at the year-end date was a balance of £45,000 (2023: £59,000) owed to the Group's pension scheme.

16 BORROWINGS

	2024 £000	2023 £000
Bank loans	**1,746**	1,410
Bank overdraft	**581**	–
	2,327	1,410
Current	**2,327**	1,410

The Group's overdraft and loan facilities amount to £4.0 million (2023: £4.0 million) and are secured by an unlimited multilateral and cross-company guarantee given by Zandra Retail Limited and Tarak International Limited and also by a limited guarantee given by, and by a floating charge over the assets of, Zandra Retail Limited and Tarak International Limited. The bank also holds a right of set-offs between Zandra Retail Limited and Tarak International Limited. All entities included in the guarantee are wholly owned subsidiaries in the Group. In addition, the Company has provided a parent company guarantee with respect to the facilities.

In addition, credit facilities are secured by a bond and floating charge from Tarak Retail Limited over the whole of its property and undertakings.

The bank overdraft and loan facilities are annual facilities and are repayable on demand. These facilities were renewed after the year end and are next subject to review in June 2025.

Borrowings are denominated and repaid in Pounds Sterling, have contractual interest rates that are either fixed rates or variable rates linked to the Bank of England base rate that are not leveraged, and do not contain conditional returns or repayment provisions other than to protect the lender against credit deterioration or changes in relevant legislation or taxation.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

17 DERIVATIVE FINANCIAL INSTRUMENTS

	2024 £000	2023 £000
Foreign currency forward contracts	36	65

Forward foreign exchange contracts are used to hedge exposure to fluctuations in foreign exchange rates that arise in the normal course of the Group's business.

As at 31 March 2024, the Group had commitments to buy the equivalent of £3,950,000 of Chinese Renminbi (2023: £3,050,000).

18 DEFERRED TAX

The following is an analysis of the deferred tax assets:

	Tax losses £000	Fixed asset timing differences £000	Total £000
Balance at 1 April 2022	634	330	964
(Credit)/charge to income statement	(65)	58	(7)
Balance at 31 March 2023	569	388	957
Charge/(credit) to income statement	286	(140)	146
Balance at 31 March 2024	855	248	1,103

The following is an analysis of the deferred tax liabilities:

	2024 £000	2023 £000
Accelerated capital allowances		
Balance brought forward	20	21
Credit to income statement	(20)	(1)
Balance at end of year	–	20

At 31 March 2024 there was a total of unprovided deferred tax assets of £1,863,000 (2023 - £471,000) of which £1,391,000 relates to tax losses (2023 - £Nil) and £471,000 in relation to fixed asset timing differences (2023 - £471,000).

19 FINANCIAL INSTRUMENTS

The following table shows the carrying amounts and fair values of financial assets and liabilities. All financial liabilities, other than derivatives, are measured at amortised cost. The derivative liability, which is measured at fair value, is level 2 in the fair value hierarchy as disclosed in Note 17.

	2024 £000	2023 £000
Category of financial instruments		
Carrying value of financial assets:		
Cash and cash equivalents	284	7,575
Trade and other receivables	3,486	3,196
Total financial assets	3,770	10,771
Carrying value of financial liabilities:		
Trade and other payables	(11,853)	(10,992)
Bank and other borrowings	(2,327)	(1,410)
Derivative financial instruments	(36)	(65)
Lease liabilities	(9,861)	(6,876)
Total financial liabilities	(24,077)	(19,343)

The fair value and carrying value of financial instruments have been assessed and there is deemed to be no material differences between fair value and carrying value.

The cash and cash equivalents are held with bank and financial institution counterparties, which are rated P-1 and A-1, based on Moody's ratings.

20 SHARE CAPITAL AND RESERVES

	2024 £000	2023 £000
Share capital – allotted, called up and fully paid 124,230,905 ordinary shares of 0.3 pence each (2023: 124,230,905)	**373**	373
Share premium	**10,315**	10,315

Share capital

The issued share capital at 31 March 2024 comprised 124,230,905 ordinary shares of 0.3 pence each with a nominal value of £372,693. The company has one class of ordinary share which have equal rights, preferences and restrictions.

Share premium

The share premium reserve contains the premium arising on the issue of equity shares above their nominal value, net of issue expenses incurred by the Company. On 28 July 2017, 6,583,851 ordinary shares of 0.3 pence each with a nominal value of £19,752 were issued at a price of 161 pence per share giving rise to a share premium of £10,315,248 (net of expenses).

Merger reserve

The merger reserve arose on the purchase of certain subsidiaries. The merger reserve represents the difference between the cost value of the shares acquired less the cost value of the shares issued for the purchase of each company and the stamp duty payable in respect of these transactions.

Retained earnings

The movement on retained earnings is as set out in the statement of changes in equity. Retained earnings represent cumulative profits or losses, net of dividends and other adjustments.

21 SHARE-BASED PAYMENTS

A summary of the options granted under the plans is:

	As at 1 April 2023	Granted during the year	Lapsed during the year	As at 31 March 2024	Exercise price	Exercise period
Date of grant		Number of shares			Pence	
Warrants	186,335	–	–	186,335	80.50	See below
CSOP – 31/7/19	1,176,893	–	(81,700)	1,095,193	15.75	31/7/22–31/7/29
CSOP – 18/1/22	1,352,150	–	(225,000)	1,127,150	17.00	18/1/25-18/1/32
ESOP – 18/1/22	190,850	–	–	190,850	17.00	18/1/25-18/1/32
	2,906,228	–	(306,700)	2,599,528		

The warrants and the CSOP options granted on 31 July 2019 were exercisable at 31 March 2024. The weighted average remaining contractual life of the CSOP options was 6.7 years (2023: 7.7 years) and 7.8 years for the ESOP options (2023: 8.8 years).

All share options were valued using the Black-Scholes model. Expected volatility was determined by management, using comparator volatility as a basis. The expected life of the options was determined based on management's best estimate. The expected dividend yield was based on the anticipated dividend policy of the Company over the expected life of the options. The risk-free rate of return input into the model was a zero-coupon Government bond with a life in line with the expected life of the options.

The inputs to the model were as follows:

Option plan	Warrant	CSOP	CSOP and ESOP
Grant date	28/07/17	31/07/19	18/1/22
Share price at grant date	80.50	15.75	17.00
Number of employees	1	72	38
Shares under option	186,335	1,530,097	1,598,000
Vesting period (years)	–	3	3
Expected volatility	31.4%	88.5%	100.1%
Risk-free rate	0.5%	0.5%	0.5%
Expected life (years)	2	4	4
Expectations of meeting performance criteria	100%	100%	100%
Expected dividend yield	2.0%	2.0%	2.0%

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

21 SHARE-BASED PAYMENTS continued

The Group recognised a total expense of £38,000 during the year (2023: £55,000) relating to equity-settled share-based payments, including employer's National Insurance contributions of £5,000 (2023: £8,000).

As at 31 March 2024, the weighted average exercise price of outstanding share options, excluding those exercisable as part of the Warrant Instrument, was 16.39 pence (2023: 16.46 pence).

Company Share Option Plan ("CSOP")

The Group operated a share option scheme during the year for certain employees under the CSOP, which allows tax advantaged options to be granted over the Company's shares to selected employees of the Group. New options are granted at a price consistent with the mid-market price of an ordinary share on the dealing day immediately preceding the date of grant. The options vest after three years and have an exercise life between three and ten years from grant date. The exercise of the options is subject to continued employment over the vesting period.

Executive Share Option Plan ("ESOP")

The Group operated a share option scheme during the year for certain employees under the ESOP, which allows non-tax advantaged options to be granted over the Company's shares to selected employees of the Group. New options are granted at a price consistent with the mid-market price of an ordinary share on the dealing day immediately preceding the date of grant. The options vest after three years and have an exercise life between three and ten years from grant date. The exercise of the options is subject to continued employment over the vesting period.

Warrants

The Company entered into a Warrant Instrument with its Chairman, Peter Cowgill, dated 18 July 2017, pursuant to which Peter Cowgill may subscribe for up to 186,335 ordinary shares exercisable in whole or in part at a subscription price equal to 80.5 pence. The warrants are exercisable until the earlier of (i) their full exercise, (ii) Peter Cowgill ceasing to be a Director, or (iii) a takeover of the Company. At the year end, no Warrant Instruments had yet been exercised.

22 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	2022 £000	Cash flow £000	Non-cash changes £000	2023 £000	Cash flow £000	Non-cash changes £000	**2024 £000**
Cash at bank and in hand	5,840	1,723	12	7,575	(7,286)	(5)	**284**
Net cash per statement of cash flows	5,840	1,723	12	7,575	(7,286)	(5)	**284**
Borrowings - overdraft	–	–	–	–	(581)	–	**(581)**
Borrowings - loan	(1,420)	10	–	(1,410)	(336)	–	**(1,746)**
Net cash before lease liabilities	4,420	1,733	12	6,165	(8.203)	(5)	**(2,043)**
Lease liabilities	(1,139)	1,807	(7,544)	(6,876)	2,874	(5,859)	**(9,861)**
Net debt after lease liabilities	3,281	3,540	(7,532)	(711)	(5,329)	(5,864)	**(11,904)**

Non-cash changes relate to the translation of foreign currency balances at the end of the period and lease additions, disposals, interest charges and modifications.

23 CASH AND CASH EQUIVALENTS

	2024 £000	2023 £000
Cash at bank and in hand	**284**	7,575
Net cash at bank and in hand	**284**	7,575

24 FINANCIAL COMMITMENTS

Capital commitments

The Group had £0.2 million of capital commitments at 31 March 2024 (2023: £1.9 million) which were not provided for in the financial statements.

25 FINANCIAL RISK MANAGEMENT

The Group has exposure to credit, liquidity, market and capital management risk from its operations.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and connected companies.

The carrying amount of financial assets represents the maximum credit exposure of the Group.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of and circumstances related to each customer.

However, management also considers the factors that may influence the overall credit risk of its customer base, including the default risk of the industry and country in which customers operate. The risk associated with receivables is mitigated by obtaining Standby Letters of Credit relating to a number of outstanding balances.

The maximum exposure to credit risk for trade receivables by geographic region was as follows:

	2024 £000	2023 £000
United Kingdom	**1,802**	2,317
Rest of the world	**1,570**	975
	3,372	3,292

The ageing of trade receivables at the year end was as follows:

	Carrying amount 2024 £000	**Allowance for expected credit losses %**	**Allowance for expected credit losses £000**
Not overdue	**2,165**	**5%**	**109**
0 to 3 months overdue	**907**	**5%**	**45**
3 to 6 months overdue	**74**	**50%**	**37**
Over 6 months overdue	**226**	**100%**	**226**
Closing balance	3,372	10%	**417**

The movement in the provision for impairment of receivables in the year was as follows:

	2024 £000	2023 £000
Opening provision	**333**	327
Release in the year	**–**	(33)
Provided for in the year	**84**	39
Closing provision	**417**	333

Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Based on current cash flow projections, the Group expects to have sufficient headroom against its borrowing facilities. The basis of this assessment is outlined in Note 1.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

25 FINANCIAL RISK MANAGEMENT continued

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted and include estimated interest repayments.

	Contractual cash flows				
	Total £000	2 months or less £000	2–12 months £000	Between 1-2 years £000	Between 2-5 years £000
31 March 2024					
Bank loans	**1,746**	**1,425**	**321**	**–**	**–**
Trade payables	**9,513**	**9,513**	**–**	**–**	**–**
Accruals and other payables	**2,340**	**2,340**	**–**	**–**	**–**
Derivatives	**36**	**15**	**21**	**–**	**–**
Lease liabilities	**10,852**	**546**	**2,927**	**2,886**	**4,493**
	24,487	**13,839**	**3,269**	**2,886**	**4,493**
31 March 2023					
Bank loans	1,410	793	617	–	–
Trade payables	7,117	7,117	–	–	–
Accruals and other payables	3,876	3,876	–	–	–
Derivatives	65	15	50	–	–
Lease liabilities	7,496	422	1,830	2,090	3,154
	19,964	12,223	2,497	2,090	3,154

Interest rate risk

Loans and borrowings are sensitive to changes in interest rates. A 50-basis point change in the base rate would have an impact of £12,000 on the result for the year ended 31 March 2024 (2023: £7,000 impact on result for the year). A 50-basis point change in the Group's incremental borrowing rate would have a £72,000 impact on the lease liabilities balance at 31 March 2024 (2023: £57,000).

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The Group's exposure to interest rate risk is described above. In respect of equity price risk, the Group has no significant equity investments other than in its subsidiaries.

The objective of foreign currency risk management is to manage and control exposure within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

The Group is exposed to currency risk to the extent that there is a fluctuation in the foreign exchange rate between the date of the transaction and the date when amounts are paid/received. The functional currency of the Group is Sterling, but it receives some revenues in Euros and US Dollars and makes some purchases in Chinese Renminbi. Of the Group's trade receivables balances as at 31 March 2024, 6% (2023: 1%) were denominated in US Dollars and 5% (2023: 5%) were denominated in Euros and 17% (2023: 29%) of the Group's trade payable balances were denominated in Chinese Renminbi.

The summary quantitative data about the Group's exposure to currency risk is as follows:

	Trade receivables £000	Trade payables £000	Net exposure £000
31 March 2024			
US Dollars	**180**	**151**	**29**
Euros	**158**	**195**	**(37)**
Chinese Renminbi	**–**	**1,550**	**(1,550)**
31 March 2023			
US Dollars	23	–	–
Euros	155	243	(88)
Chinese Renminbi	–	2,029	(2,029)

25 FINANCIAL RISK MANAGEMENT continued

The following significant exchange rates have been applied during the year:

	Average rate 2024	Year-end spot rate 2024	Average rate 2023	Year-end spot rate 2023
US Dollars	**1.24**	**1.24**	1.24	1.24
Euros	**1.16**	**1.16**	1.14	1.18
Chinese Renminbi	**8.60**	**8.60**	8.60	8.60

Sensitivity to market risk

If the Euro exchange rate, on average through the year, weakened/strengthened by 10% and all other variables were held constant, the Group's profit for the year ended 31 March 2024 would decrease/increase by £341,000 and £279,000 respectively (2023: £328,000 and £401,000). This has been calculated by applying the amended currency rate to the value of Euro receipts during the year.

If the Chinese Renminbi exchange rate, on average through the year, weakened/strengthened by 10% and all other variables were held constant, the Group's profit for the year ended 31 March 2024 would decrease/increase by £926,000 and £758,000 respectively (2023: £1,228,000 and £1,005,000). This has been calculated by applying the amended currency rate to the value of Chinese Renminbi payments during the year.

Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders, and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the Group's statement of financial position, plus net debt. Net debt is calculated as total borrowings, excluding lease liabilities, less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group is subject to certain reporting requirements with regards to its bank facilities. There have been no events of default on the financing arrangement during of subsequent to the financial year end.

26 RELATED PARTY TRANSACTIONS

The Group considers its Executive and Non-Executive Directors as key management and therefore has a related party relationship with them.

Related party transactions with connected companies

Two Directors, Tarak Ramzan and his son Sheraz Ramzan, and their relatives control 48.7% of the voting shares of the Company (2023: 48.7%).

The Group transacts with companies in which Tarak and Sheraz Ramzan have an interest. The amounts of the transactions and balances due to and from the related parties during the year and at the year-end are:

	Purchases from		Balance owed to		Balances due from	
	2024 £000	2023 £000	**2024 £000**	2023 £000	**2024 £000**	2023 £000
Big Blue Concepts Limited	**375**	344	**–**	–	**–**	35
Tarak Manufacturing Limited	**263**	241	**–**	–	**–**	–
Ocean 9 Limited	**30**	39	**–**	–	**–**	–

The charges from Big Blue Concepts Limited and Tarak Manufacturing Limited solely relate to the rental of the Group's distribution centre and head office respectively. These leases were entered into further to the Independent Non-Executive Directors of the Company having received independent legal advice and independent commercial real estate advice and being satisfied that they reflect arm's length legal and commercial terms.

The charges from Ocean 9 Limited relate to consultancy fees payable to the spouse of one of Tarak Ramzan's children for the provision of property advice.

NOTES TO THE GROUP FINANCIAL STATEMENTS CONTINUED

Year ended 31 March 2024

26 RELATED PARTY TRANSACTIONS continued

Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. The Directors' Remuneration Report on pages 35 to 37 of this Annual Report provides further information regarding the remuneration of individual Directors.

	2024 £000	2023 £000
Short-term employment benefits	**625**	645
Post-employment benefits	**55**	53
Employer National Insurance contributions	**79**	82
Share-based payments	**6**	7
	765	787

27 CONTINGENCIES

The Group's bank loans, overdrafts and other credit facilities are next subject to review on 30 June 2025.

These facilities continue to be secured by an unlimited multilateral and cross-company guarantee given by Zandra Retail Limited and Tarak International Limited and also by a limited guarantee given by, and by a floating charge over the assets of, Zandra Retail Limited and Tarak International Limited. The bank also holds a right of set-offs between Zandra Retail Limited and Tarak International Limited. All entities included in the guarantee are wholly owned subsidiaries in the Group.

In addition to the above, QUIZ plc has provided a Parent Company Guarantee with respect to the facilities.

28 SUBSIDIARY UNDERTAKINGS

The following companies were the subsidiary undertakings of QUIZ plc at 31 March 2023 and 2024:

Subsidiary	Principal activity	% shares
Zandra Retail Limited	Operating standalone clothing stores in the UK	100
Kast Services Limited	Holds intellectual property for the QUIZ Group	100
Zandra Services Limited	Entering into Software Contracts on behalf of the QUIZ Group	100
Exhibit Retail Limited	Non-trading	100
Shoar (Holdings) Limited	Holding company	100
Tarak Retail Limited	Operating concessions in department stores in the UK	100
Tarak International Limited	Online sales, concessions and franchise stores outside the UK	100

All of the above companies are registered in Scotland with the registered address of 61 Hydepark St, Glasgow, G3 8BW.

29 CONTINGENT LIABILITY

Subsequent to the year end the Company received a claim letter from a supplier of IT software in relation to a contract for services entered into February 2020. Further to the provision of initial advice from Kings Counsel, the Group does not consider that any monies are due under this contract and as such does not accept any liability in respect of this matter. The potential claim amounts to £673,000 plus VAT with the potential for interest of £573,000 to be sought on this amount.

COMPANY INFORMATION

DIRECTORS
Peter Alan Cowgill
Tarak Ramzan
Sheraz Ramzan
Gerard Sweeney
Charlotte Rose O'Sullivan (resigned 30 November 2023)
Roger Thomas Mather

REGISTERED OFFICE
22 Grenville Street
St Helier
Jersey
Channel Islands
JE4 8PX

PRINCIPAL PLACE OF BUSINESS
61 Hydepark Street
Glasgow
G3 8BW

COMPANY SECRETARY
Gerard Sweeney

ASSISTANT COMPANY SECRETARY
Mourant Secretaries
(Jersey) Limited
22 Grenville Street
St Helier
Jersey
Channel Islands
JE4 8PX

NOMINATED ADVISER AND BROKER
Panmure Gordon (UK) Limited
One New Change
London
EC4M 9AF

REGISTERED AUDITORS
RSM UK Audit LLP
Central Square
5th Floor
29 Wellington St
Leeds
LS1 4DL

LEGAL COUNSEL RE SCOTTISH AND ENGLISH LAW
Dentons UK and Middle East LLP
Quartermile One
15 Lauriston Place
Edinburgh
EH3 9EP

LEGAL COUNSEL RE JERSEY LAW
Mourant LP
22 Grenville Street
St Helier
Jersey
Channel Islands
JE4 8PX

PRINCIPAL BANKERS
HSBC Bank plc
Glasgow

REGISTRARS
Capita Registrars (Jersey) Limited
12 Castle Street
St Helier
Jersey
Channel Islands
JE2 3RT

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