Touch Local Limited

Annual Report and Consolidated Financial Statements

Registered number 02885607

31 December 2025



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Officers and Professional Advisors

Directors

Sharon Rowlands
Jennifer E. Buchanon (appointed 10 February 2026)
Christina L. Clohecy (resigned 31 December 2025)
Jeffrey S. Neace

Secretary

Bird and Bird LLP
12 New Fetter Lane
London
EC4A 1JP
United Kingdom

Registered Office

12 New Fetter Lane
London
EC4A 1JP
United Kingdom

Bankers

NatWest Bank plc, Westminster Branch
PO Box 3038
57 Victoria Street
London
SW1H 0HN
United Kingdom

Solicitors

Bird and Bird LLP
12 New Fetter Lane
London
EC4A 1JP
United Kingdom

Auditors

Gibson Whitter Limited
Chartered Accountants and Registered Auditors
Parklands Business Park
Forest Road
Denmead
PO7 6XP
United Kingdom

Strategic Report

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

During the year, Touch Local Limited ("the Company") and its wholly owned subsidiaries Enable Media Limited and Easily Limited (collectively, the "Group") provided a full range of Internet services to small businesses to help them compete and succeed online. The Group meets the needs of small businesses anywhere along their lifecycle with affordable, subscription-based solutions including website design and hosting, search engine optimisation ("SEO"), online marketing campaigns, directory listings and eCommerce solutions.

The Group expects its 2026 trading results to decline in comparison to 2025's due to online media marketing campaigns, directory listing, SEO, and website design services ceasing to be offered by the Group during the third quarter of 2025. Reseller operations also started to wind down during the fourth quarter of 2025. These declines will primarily impact the turnover of Enable Media Limited and Touch Local Limited. The Easily Limited operations are expected to remain largely unchanged in 2026. In addition, support services provided to Newfold Digital, Inc. and its related subsidiaries ("Newfold Digital"), are expected to decrease significantly during 2026 due to the sale of a subsidiary that received such services. Even with these changes, the Group will continue to focus on maintaining profitability and the operating efficiencies, just on a smaller scale.

KEY PERFORMANCE INDICATORS

During the year ended 31 December 2025, the Group had a loss after tax of £0.5 million (2024: loss £4.1 million). This loss was due to a slight decline in turnover during the year ended 31 December 2025. The loss during the year ended 31 December 2024 included a £3.7 million impairment charge for the Group's investment in JDI Backup Limited. The impairment charge for JDI Backup Limited was only £50 thousand during the year ended 31 December 2025.

The Company had approximately 31,687 customers on average during the year ended 31 December 2025 with average turnover per month of £10.89 as compared to approximately 37,839 customers on average during the year ended 31 December 2024 with average turnover per month of £11.21. Customer turnover decreased during the year ended 31 December 2025 by 15%. This decrease in turnover is due to lower sales of online marketing products and other reseller contracts, which typically have a higher monthly value. The lower turnover is in line with the Group's efforts to scale back certain revenue streams starting in the third quarter of 2025.

During the year ended 31 December 2025, service turnover increased by 29% as the Company continues to provide services to other related subsidiaries. The services provided include customer service and other management supporting services. As mentioned above, service turnover is expected to decrease in 2026 due to Newfold Digital's sale of a subsidiary that the Group provided support services to.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Company are as follows:

- We rely heavily on the reliability, security, and performance of our internally developed systems and processes, and any difficulties in maintaining these systems may result in service interruptions, decrease customer service, or increase expenditures.

- Weakened global economic conditions may harm our industry, business, and results of operations. These risks are mitigated by constant monitoring by management. For the risks deemed to be high risk factors, management has developed a formal action plan that addresses this risk and assigned an owner who will closely monitor the process and act as warranted.

- The Company holds monetary balances denominated in currencies other than its functional currency, principally US dollars arising on amounts owed to and from its parent company, Newfold Digital, Inc. and

its wholly owned subsidiaries. Retranslation of these balances at the reporting date gives rise to exchange gains and losses recognised in the profit and loss accounts.

FINANCIAL RISK MANAGEMENT

The most important components of financial risk to a company are interest rate risk, credit risk, market risk and liquidity risk. The only financial risk the directors consider relevant to this Company is liquidity risk. Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. This risk is mitigated by the ultimate parent company being able to satisfy all obligations of the Company if it is unable to pay creditors.

DIRECTORS' SECTION 172 STATEMENT

The directors, together with management from the ultimate parent company, make long term decisions for the Group. These range from changes in internal systems to external acquisitions. The Group's employees are either consulted or communicated to when there are decisions likely to affect them. There are regular updates provided by management to the entire organisation and employees are encouraged to ask questions and suggest process involvement.

Business relationships with customers and suppliers are key to the Group's success so maintaining a good reputation and high standards of business conduct is extremely important. Whenever there are key changes to process or services, customers and suppliers are consulted or communicated in advance of any such changes.

The Group recognises the importance of its environmental responsibilities and designs and implements policies to reduce any damage that might be caused by the Group's activities. Initiatives designed to minimise the Company's impact on the environment include improving our energy use, efficiency, paper use and recycling.

By order of the board

Jennifer E. Buchanon 18 September 2026
Director
Company registered number: 02885607

Touch Local Limited
12 New Fetter Lane
London
EC4A 1JP
United Kingdom

Directors' Report

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

RESULTS AND DIVIDENDS

Consolidated financial statements have been prepared comprising the results of Touch Local Limited ("the Company") and its wholly owned subsidiaries: Enable Media Limited and Easily Limited (collectively, the "Group").

The subsidiaries of Touch Local Limited, which are all incorporated in England and Wales, are exempt from the audit of their individual accounts due to the existence of a parental guarantee given by this parent undertaking of this Group which prepares these consolidated accounts. The consolidated loss for the year ended 31 December 2025 after taxation amounted to £0.5 million (2024: loss £4.1 million). The profit attributable to the Company for the year ended 31 December 2025 after taxation amounted to £0.3 million (2024: loss £3.5 million).

During the year ended 31 December 2025, the Group experienced a net loss primarily due to a slight decline in turnover. In addition, the year ended 31 December 2024 included a £3.7 million impairment on one of our fixed asset investments.

The directors do not recommend any dividend on the ordinary shares in respect of the year ended 31 December 2025 (2024: £nil).

DIRECTORS

The directors who held office during the year were as follows:

Sharon Rowlands
Christina L. Clohecy
Jeffrey S. Neace

Christina L. Clohecy resigned as a director on 31 December 2025 and Jennifer E. Buchanon was appointed as a director on 10 February 2026.

POLITICAL CONTRIBUTIONS

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year ended 31 December 2025.

DISCLOSURE OF INFORMATION TO AUDITOR

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that she or he ought to have taken as a director to make herself or himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

GOING CONCERN

Notwithstanding net current liabilities of £5.0 million at 31 December 2025 (2024: £4.9 million) and the net liabilities of £3.9 million at 31 December 2025 (2024: £3.4 million), the consolidated financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company is in the process of winding down its reseller-based business and certain aspects of its retail customer-based business. Touch Local Limited will remain in existence and will continue to operate as a service-providing company going forward. The wholly-owned subsidiaries Enable Media Limited and Easily Limited were expected to be dissolved before 31 March 2026, but their indirect parent company, Newfold Digital, Inc. shifted away from this plan. As a result, the current plan is for these entities to continue to remain legally in existence. Easily Limited will continue to deliver its retail customer-based services for the foreseeable future. Enable Media will generate revenue by having its employees provide services to subsidiaries of Newfold Digital. In preparing these financial statements, the directors have reviewed the Company's ability to continue as a going concern. Despite the wind-

down of certain retail customer revenue streams and reseller activities during the last half of the year ended 31 December 2025, the directors have concluded that the Company has adequate resources and access to funding to meet its liabilities as they fall due over at least the next 12 months from the date of approval of these financial statements.

Accordingly, the financial statements continue to be prepared on a going concern basis. The directors have reviewed forecasts for a period of 12 months from the date of approval of these consolidated financial statements which indicate that, taking into account the recently announced operational changes, the Group will have sufficient funds, through its cash and cash equivalents and in downside cases funding from its indirect parent company, Newfold Digital, Inc. ("Newfold Digital"), to meet its liabilities as they fall due for that period.

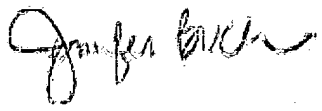
Those forecasts are dependent on Newfold Digital not seeking repayment of the amounts currently due from the group, which at 31 December 2025 amounted to £5.4 million, and providing additional financial support during that period. Newfold Digital has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

OTHER INFORMATION
An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on pages 3 and 4.

AUDITOR
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed reappointed and Gibson Whitter Limited will therefore continue in office.

By order of the board



Jennifer E. Buchanon 18 September 2026
Director
Company registered number: 02885607

Touch Local Limited
12 New Fetter Lane
London
EC4A 1JP
United Kingdom

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the group's profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TOUCH LOCAL LIMITED

Opinion

We have audited the financial statements of Touch Local Limited (the "Company") for the year ended 31 December 2025 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flows Statement and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page seven, 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 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

- We obtained an understanding of the legal and regulatory framework in which the company operates. The key laws considered included the Companies Act 2006. We have corroborated our enquiries through review of Board minutes.
- We have evaluated management incentives and opportunities for fraudulent manipulation of the financial statements including management override of controls and the application of revenue recognition at cut-off and considered that the principal risk was related to the posting of inappropriate journal entries to improve the result before tax for the year. We have addressed this by assessing journal entries as part of our planning audit approach.

- We have enquired of management and those charge with governance in respect of known or suspected instances of non-compliance with laws and regulations.
- We have also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.



Linda Gibson (Senior Statutory Auditor)
for and on behalf of Gibson Whitter Limited, Statutory Auditor
Chartered Accountants
Parklands Business Park, Forest Road, Denmead, PO7 6XP

21 September 2026

Consolidated Profit and Loss Account and Other Comprehensive Loss
for the year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Turnover	2	**6,950**	7,106
Cost of sales		**(4,593)**	(4,680)
Gross profit		**2,357**	2,426
Administrative expenses	3	**(2,985)**	(3,106)
Operating loss		**(628)**	(680)
Income from interests in associated undertakings	9	**50**	165
Impairment of fixed asset investment	9	**(50)**	(3,697)
Interest expense		**(68)**	(71)
Loss before taxation		**(696)**	(4,283)
Tax benefit	6	**221**	157
Loss for the financial year		**(475)**	(4,126)
Total comprehensive loss for the financial year		**(475)**	(4,126)

There are no other gains or losses other than the loss for the year of £0.5 million (2024: £4.1 million).

The accompanying notes on pages 17 to 33 are an integral part of these financial statements.

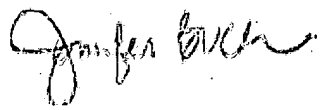
Consolidated Balance Sheet

as at 31 December 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
FIXED ASSETS					
Intangible assets	7		**1,395**		1,714
Tangible assets	8		**8**		63
Investments	9		**—**		—
			1,403		1,777
CURRENT ASSETS					
Debtors	10	**1,823**		1,802	
Cash at bank and in hand		**869**		997	
TOTAL CURRENT ASSETS		**2,692**		2,799	
NON-CURRENT ASSETS					
Debtors	10		**321**		393
CREDITORS: amounts falling due within one year	11	**(7,652)**		(7,706)	
NET CURRENT LIABILITIES			**(4,960)**		(4,907)
TOTAL ASSETS LESS CURRENT LIABILITIES			**(3,236)**		(2,737)
CREDITORS: amounts falling due after more than one year	11	**(615)**		(620)	
NET LIABILITIES			**(3,851)**		(3,357)
CAPITAL AND RESERVES					
Called-up share capital	12		**1**		1
Share premium account			**24,788**		24,788
Capital redemption reserve			**12,200**		12,200
Profit and loss account			**(48,977)**		(48,502)
Capital contribution			**8,137**		8,156
SHAREHOLDERS' DEFICIT			**(3,851)**		(3,357)

The accompanying notes on pages 17 to 33 are an integral part of these financial statements.

The financial statements were authorised for issue by the board of directors on 18 September 2026 and were signed on its behalf by:



Jennifer E. Buchanon
Director
Company registered number: 02885607
Touch Local Limited
12 New Fetter Lane
London
EC4A 1JP
United Kingdom

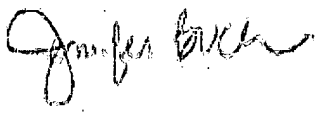
Company Balance Sheet

as at 31 December 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
FIXED ASSETS					
Intangible assets	7		**188**		269
Investments	9		**1,094**		1,094
			1,282		1,363
CURRENT ASSETS					
Debtors	10	**1,782**		955	
Cash at bank and in hand		**154**		202	
TOTAL CURRENT ASSETS		**1,936**		1,157	
CREDITORS: amounts falling due within one year	11	**(5,923)**		(5,509)	
NET CURRENT LIABILITIES			**(3,987)**		(4,352)
TOTAL ASSETS LESS CURRENT LIABILITIES			**(2,705)**		(2,989)
NET LIABILITIES			**(2,705)**		(2,989)
CAPITAL AND RESERVES					
Called-up share capital	12		**1**		1
Share premium account			**24,788**		24,788
Capital redemption reserve			**12,200**		12,200
Profit and loss account			**(47,380)**		(47,664)
Capital contribution			**7,686**		7,686
SHAREHOLDERS' DEFICIT			**(2,705)**		(2,989)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE FINANCIAL YEAR	1.3		**284**		(3,478)

The accompanying notes on pages 17 to 33 are an integral part of these financial statements.

The financial statements were authorised for issue by the board of directors on 18 September 2026 and were signed on its behalf by:



Jennifer E. Buchanon
Director
Company registered number: 02885607

Touch Local Limited
12 New Fetter Lane
London
EC4A 1JP
United Kingdom

Consolidated Statement of Changes in Equity

	Called-up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Capital contribution	Total
	£'000	£'000	£'000	£'000	£'000	£'000
1 January 2024	1	24,788	12,200	(44,376)	8,137	750
Total comprehensive loss for the year	—	—	—	(4,126)	—	(4,126)
Stock-based compensation	—	—	—	—	19	19
31 December 2024	1	24,788	12,200	(48,502)	8,156	(3,357)
1 January 2025	1	24,788	12,200	(48,502)	8,156	(3,357)
Total comprehensive loss for the year	—	—	—	(475)	—	(475)
Stock-based compensation	—	—	—	—	(19)	(19)
31 December 2025	1	24,788	12,200	(48,977)	8,137	(3,851)

The accompanying notes on pages 17 to 33 are an integral part of these financial statements.

Company Statement of Changes in Equity

	Called-up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Capital contribution	Total
	£'000	£'000	£'000	£'000	£'000	£'000
1 January 2024	1	24,788	12,200	(44,186)	7,686	489
Total comprehensive loss for the period	—	—	—	(3,478)	—	(3,478)
31 December 2024	1	24,788	12,200	(47,664)	7,686	(2,989)
1 January 2025	1	24,788	12,200	(47,664)	7,686	(2,989)
Total comprehensive profit for the period	—	—	—	284	—	284
31 December 2025	1	24,788	12,200	(47,380)	7,686	(2,705)

The accompanying notes on pages 17 to 33 are an integral part of these financial statements.

Consolidated Cash Flows Statement

	2025 £'000	2024 £'000
Cash flows from operating activities		
Loss for the year before taxation and equity investment results	**(746)**	(4,448)
Adjustments for:		
Depreciation and amortisation	**466**	516
Impairment of fixed asset investment	**50**	3,697
Loss on sale of assets	**38**	—
Stock-based compensation	**(19)**	19
	(211)	(216)
Decrease (increase) in trade and other debtors	**228**	(18)
(Decrease) increase in trade and other creditors	**(15)**	606
Net cash provided by operating activities	**2**	372
Cash flows used for investing activities		
Acquisition of tangible fixed assets	**(12)**	(59)
Capitalised development costs	**(118)**	(139)
Net cash used for investing activities	**(130)**	(198)
Net (decrease)/increase in cash and cash equivalents	**(128)**	174
Cash and cash equivalents at 1 January	**997**	823
Cash and cash equivalents at 31 December	**869**	997

The accompanying notes on pages 17 to 33 are an integral part of these financial statements.

Notes to the Financial Statements

(forming part of the Financial Statements)

1 Accounting policies

Touch Local Limited (the "Company") is a company limited by shares and incorporated and domiciled in the United Kingdom. The registered number is 02885607 and the registered address is 12 New Fetter Lane, London, EC4A 1JP, United Kingdom. These group and parent financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in financial statements have been rounded to the nearest £1,000. The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included;
- The disclosures required by FRS 102.11 Basic Financial Instrument and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1

The Company has made no measurement and recognition adjustments. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

Notwithstanding net current liabilities of £5.0 million and net liabilities of £3.9 million at 31 December 2025 (2024: net current liabilities of £4.9 million and net liabilities of £3.4 million), the consolidated financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

As noted in the Directors' report, the Company is in the process of winding down its reseller business and portions of its retail-customer based business. Initially, all retail customer-based business entities were expected to be dissolved before 31 March 2026. However, the Group's indirect parent company, Newfold Digital, Inc. ("Newfold Digital") has shifted resources to other matters and the near term plan is for Easily Limited to continue to deliver their retail customer-based business and remain legally in existence. The Company will also continue to operate as a service-providing company, primarily through Enable Media Limited, going forward, although the service revenue will decline due to the sale of a Newfold Digital subsidiary in December 2025. In preparing these financial statements, the Directors have reviewed the Company's ability to continue as a going concern. Despite the expected decreases of certain operational activities, the Directors have concluded that the Company has adequate resources and access to funding to meet its liabilities as they fall due over at least the next 12 months from date of the approval of the financial statements. .

Accordingly, the financial statements continue to be prepared on a going concern basis. The directors have reviewed forecasts for a period of 12 months from the date of approval of these consolidated financial statements which indicate that, taking into account the recently announced operational changes, the Group will have sufficient funds, through its cash and cash equivalents and in downside cases funding from Newfold Digital to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Newfold Digital not seeking repayment of the amounts currently due from the Group, which at 31 December 2025 amounted to £5.4 million, and providing additional financial support during that

Notes to the financial statements (continued)

period. Newfold Digital has indicated its intention to continue to make available such funds as are needed by the Group, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

1.3 Basis of consolidation

The consolidated financial statements incorporate the results of Touch Local Limited and all of its subsidiary undertakings as at 31 December 2025. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

The consolidated financial statements include the following:

Name and registered number of Company	
Touch Local Limited	02885607
Enable Media Limited	05178759
Easily Limited	03900580

Under Section 408 of the Companies Act 2006, the Company is exempt from the requirements to present its own profit and loss account.

1.4 Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss accounts.

1.5 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss accounts. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss accounts. Other investments are measured at cost less impairment in profit or loss.

Notes to the financial statements (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings. The Company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired. Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term or its useful lives.

The estimated useful lives are as follows:

- computer hardware, furniture and fixtures - three to four years
- leasehold improvements - four years or up to the length of the lease, whichever is shorter

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

1.7 Intangibles

Intangible assets other than goodwill

The fair value of acquired licenses, trade names, and customer relationships is determined based on, among other factors, estimates of future expected cash flow, royalty cost savings, and the applicable discount rates used in computing present values. The estimated useful lives of the individual categories of intangible assets are based on the nature of the applicable intangible asset and the expected future cash flows to be derived from the intangible asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives or ten years, whichever is the shorter. Provision is made for any impairment.

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose. Goodwill is amortised over its estimated useful life or ten years, whichever is the shorter. Provision is made for any impairment.

Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of

Notes to the financial statements (continued)

materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the profit and loss account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses. Amortisation period for the capitalised development is three years.

1.8 Investment

Fixed asset investments are shown at cost less provision or impairment.

1.9 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.10 Turnover

Turnover represents the amounts derived from the provision of services which fall within the Group's ordinary activities, stated net of value added tax. All turnover except third party reseller arrangements is recognised equally over the length of the contract using a daily recognition method. Third party reseller arrangements turnover is recognised when earned.

The Company also generates service turnover as it provides services to other related subsidiaries. The services provided include customer service and other management supporting services.

Turnover from customers is generated by one class of business all over the world; however, the majority of the turnover is in the United Kingdom, with the remainder principally in Germany, Singapore, and the United States. The majority of the Group's service turnover is generated from the United States and Netherlands.

1.11 Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.12 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised

Notes to the financial statements (continued)

on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.13 Stock-based compensation

On 29 April 2021, the Board of Directors and stockholders of Newfold Digital Holdings, Inc., an indirect parent entity of Newfold Digital Holdings Group, Inc., the ultimate parent company, approved the 2021 Equity Incentive Plan (the "2021 Plan").

The Company follows the provisions of FRS 102 Section 26 Share-based Payment, which requires the Company to record compensation cost based on the estimated fair value for stock-based awards granted over the requisite service periods for the individual awards, which generally equals the vesting periods, net of estimated forfeitures. The Company uses the straight-line amortisation method for recognising stock-based compensation expense.

The 2021 Plan has performance and market conditions which require use of the Monte Carlo Simulation valuation model to estimate the fair value of stock options on the date of grant. As of 31 December 2025, the only Group employee that participated in the 2021 Plan, has voluntarily terminated and as a result, has forfeited all unvested, outstanding awards. See Note 14, Stock-Based Compensation, for additional information.

1.14 Significant judgements and estimates

In preparing these financial statements, the directors have made the following judgements:

- Determine whether financial instruments such as intra-group loans are basic or complex. These decisions depend on an assessment of the terms of the financial instrument such as interest rate terms and repayment terms.
- Determine whether certain entities are controlled or influenced by the company or not. These decisions depend on the percentage shareholding and other factors such as balances owed by the Company to establish whether they are controlled or influenced by the Company.

Other key sources of estimation uncertainty:

Investments

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of investments at fair value through profit and loss. In determining this, the directors consider the financial position of each investment entity to assess the recoverability of the investment if it were to be sold on an open market basis.

Impairment of fixed assets and goodwill

Fixed assets and goodwill are included in the financial statements at net book value. Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is

Notes to the financial statements (continued)

recognised for the amount by which the asset's (or CGU's) fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased. These assessments are based on future turnover and cash flow forecasts.

2 Turnover

	2025	2024
	£'000	£'000
Customer turnover	4,350	5,095
Service turnover	2,600	2,011
Total turnover	**6,950**	7,106

Over 84% of the customer turnover is generated from customers within the United Kingdom (2024: over 86%). Over 70% of the service turnover is generated from related parties within the United States (2024: over 74%)

3 Expenses and auditor's remuneration

	2025	2024
	£'000	£'000
Included in the loss are the following:		
Amortisation of intangible assets	437	534
Depreciation of tangible assets	29	19
Operating lease expense	14	34
Impairment of fixed asset investment	50	3,697
The analysis of auditor's remuneration is as follows:		
Fees payable to the Company's auditor for the audit of the Group and Company's financial statements	24	23

4 Directors' remuneration

The following directors were in office during the year:

Sharon Rowlands
Christina L. Clohecy*
Jeffrey S. Neace

**Christina L. Clohecy resigned on 31 December 2025. Jennifer E. Buchanon was appointed on 10 February 2026.*

Due to the nature of the operations of the Group, the remuneration of the directors for their services to the Company is not contained in the records of the Company, as the amount of work performed by the directors for the Company is immaterial. The directors are remunerated for their services to the Group as a whole, which is disclosed in the consolidated financial statements of Newfold Digital Holdings Group, Inc. Further details are disclosed in note 16.

Notes to the financial statements (continued)

5 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	2025	2024
Average number of persons employed (including directors)		
Administrative	4	6
Operational	55	58
Total	59	64

	2025 £'000	2024 £'000
Staff costs during the year (not including directors)		
Wages and salaries	3,462	3,104
Social security costs	400	375
Stock based compensation	(19)	73
Pension contributions	92	86
Total	3,935	3,638

As discussed in note 4, the directors are not paid for their services by the Group.

6 Taxation

There is a tax benefit for the year of £0.2 million (2024: £0.2 million) relating to group relief usage of accumulated tax losses. At the year end enacted tax rate of 25% (2024: 25%) the accumulated tax losses and the benefit of other timing differences gave rise to a potential deferred tax asset of £10.6 million (2024: £10.5 million), of which £9.7 million (2024: £6.7 million) has not been recognised because of the uncertainty of future profits with which to utilise the losses.

Total tax benefit recognised in the profit and loss account:

	2025 £'000	2024 £'000
Current tax:		
UK corporation tax	46	185
Total current income tax	46	185
Deferred tax (see note 1)		
Origination and reversal of timing differences	175	(28)
Total deferred tax	175	(28)
Total tax benefit	221	157

Notes to the financial statements (continued)

Analysis of current tax recognised in profit and loss:

	2025 £'000	2024 £'000
UK corporation tax	—	—
Group relief	50	183
Group relief adjustments in respect of prior periods	(4)	2
Total current tax recognised in profit and loss	46	185

Recognition of effective tax rate:

Tax assessed for the period is higher (2024: lower) than the standard rate of corporation tax in the UK for the year ended 31 December 2025 of 25% (2024: 25%). The differences are explained below:

	2025 £'000	2024 £'000
Loss on ordinary activities before taxation	(696)	(4,283)
Tax using the UK corporation tax rate of 25%	174	188
Expenses not deductible for tax purposes	(10)	(77)
Group Relief surrender	(50)	(257)
Receipt for group relief	50	257
Adjustments to tax charges in respect to previous periods	43	52
Remeasurement of deferred tax for changes in tax rates	—	—
Deferred tax not recognised on other timing differences	14	(6)
Effects of changes in tax rates	—	—
Total tax (benefit) expense included in profit or loss	221	157

Factors that affect tax charges

Deferred tax assets of £0.6 million are recognised to the extent that it is probable that they will be recovered against future taxable profits. Deferred tax assets of £9.7 million have not been recognised on the basis that it is not probable that these assets will be recovered against other future profits.

Notes to the financial statements (continued)

7 Intangible assets and goodwill

GROUP	Goodwill	Licenses and Trade Names	Development Costs	Customer Relationships	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Balance at 1 January 2025	1,312	1,269	895	1,224	4,700
Additions	—	—	118	—	118
Balance at 31 December 2025	1,312	1,269	1,013	1,224	4,818
Amortisation					
Balance at 1 January 2025	1,022	855	626	483	2,986
Amortisation for the year	48	68	199	122	437
Balance at 31 December 2025	1,070	923	825	605	3,423
Net book value					
At 1 January 2025	290	414	269	741	1,714
At 31 December 2025	242	346	188	619	1,395

COMPANY	Licenses and Trade Names	Development Costs	Total
	£'000	£'000	£'000
Cost			
Balance at 1 January 2025	521	895	1,416
Additions	—	118	118
Balance at 31 December 2025	521	1,013	1,534
Amortisation			
Balance at 1 January 2025	521	626	1,147
Amortisation for the year	—	199	199
Balance at 31 December 2025	521	825	1,346
Net book value			
At 1 January 2025	—	269	269
At 31 December 2025	—	188	188

Notes to the financial statements (continued)

8 Tangible fixed assets

GROUP	Leasehold Improvements	Computer Hardware, Furniture & Fixtures	Total
	£'000	£'000	£'000
Cost			
Balance at 1 January 2025	247	526	773
Additions	—	12	12
Disposals	(247)	(522)	(769)
Balance at 31 December 2025	—	16	16
Depreciation			
Balance at 1 January 2025	247	463	710
Charges for the year	—	29	29
Disposals	(247)	(484)	(731)
Balance at 31 December 2025	—	8	8
Net book value			
At 1 January 2025	—	63	63
At 31 December 2025	—	8	8

The Company did not have any tangible fixed assets during the years ended 31 December 2025 and 2024.

9 Fixed asset investments

GROUP

The trading and non-trading subsidiaries of Touch Local Limited, below, which are all domiciled and registered in the United Kingdom, are exempt from the audit of their individual accounts (Section 479A of the Companies Act 2006) due to the existence of a parental guarantee given by this parent undertaking of this Group which prepares these consolidated accounts. The registered address of each of these subsidiaries is 12 New Fetter Lane, London EC4A 1JP. The net book value of these wholly owned subsidiaries is eliminated upon consolidation.

Name and registered number of Company		Nature of business	Proportion of voting rights and ordinary share capital owned	
			At 1 January 2025	At 31 December 2025
Enable Media Limited	05178759	Marketing and web services	100%	100%
Easily Limited	03900580	Domain registration and hosting provider	100%	100%

Notes to the financial statements (continued)

In December 2022, Touch Local Limited purchased 30% of the outstanding shares of JDI Backup Limited ("JDI Backup") for the consideration of £3.3 million, in the form of an intercompany loan agreement. This loan agreement is unsecured, bears interest based on the average annual official HMRC rates and is payable upon demand. Interest accrued during the years ended 31 December 2025 and 2024 is based on the annual fixed interest rate of 2.25%. Prior to this transaction, JDI Backup was a wholly owned subsidiary of Newfold Digital, which is a wholly owned subsidiary of Newfold Digital Holdings Group, Inc. See Note 16 for additional information. The registered address of JDI Backup is: 12 New Fetter Lane, London EC4A 1JP.

During the year ended 31 December 2024, due to a decline in JDI Backup's revenues, increased customer churn, rising costs and the expectation of dissolving JDI Backup by the end of 2025, Touch Local Limited's investment in JDI Backup was impaired in the amount of £3.7 million.

The dissolution of JDI Backup did not occur during the year ended 31 December 2025 as planned, however it is expected to happen during the year ended 31 December 2026. Accordingly, Touch Local Limited's investment in JDI Backup was impaired by £50 thousand during the year ended 31 December 2025.

JDI Backup's company information is as follows:

			Proportion of voting rights and ordinary share capital owned	
			At 1 January 2025	At 31 December 2025
Name and registered number		**Nature of business**		
JDI Backup Limited	07488961	Cloud-based services	30%	30%

The carrying value of the Group's investment in JDI Backup is as follows:

	2025	2024
	£'000	£'000
Investment	3,697	3,532
Accumulated impairment	(3,697)	—
Net carrying amount at 1 January	—	3,532
Share of profit	50	165
Impairment	(50)	(3,697)
Investment	3,747	3,697
Accumulated impairment	(3,747)	(3,697)
Net carrying amount at 31 December	—	—

COMPANY

In August 2022, the Company acquired one ordinary share of Enable Media Limited in exchange for the satisfaction and release of £7.1 million of intercompany loans payable to the Company from Enable Media Limited. During the year ended 31 December 2022, the Company fully impaired its investment in Enable Media Limited.

Notes to the financial statements (continued)

In January 2021, the Company acquired 100% of the outstanding shares of Easily Limited, a provider of domain names, hosting, and technology solutions based in the United Kingdom. In addition, on that same date, the Company also acquired certain assets from Corporation Service Company related to its Speednames Brand.

The net book value of the Company's investment in Easily is £1.1 million at 31 December 2025 (2024: £1.1 million). The net book value of the Company's investment in Enable Media Limited is £nil at 31 December 2025 (2024: £nil). The registered address of both Enable Media Limited and Easily Limited is 12 New Fetter Lane, London EC4A 1JP.

Company information is as follows:

Name and registered number of Company		Nature of business	Proportion of voting rights and ordinary share capital owned	
			At 1 January 2025	At 31 December 2025
Enable Media Limited	5178759	Marketing and web services	100%	100%
Easily Limited	3900580	Domain registration and hosting provider	100%	100%

In December 2022, the Company purchased 30% of the outstanding shares of JDI Backup Limited ("JDI Backup") for the consideration of £3.3 million, in the form of an intercompany loan agreement. This loan agreement is unsecured, bears interest based on the average annual official HMRC rates and is payable upon demand. Interest accrued during the years ended 31 December 2025 and 2024 is based on the annual fixed interest rate of 2.25%.

Prior to this transaction, JDI Backup was a wholly owned subsidiary of Newfold Digital, a wholly owned subsidiary of Newfold Digital Holdings Group, Inc. See Note 16 for additional information. The registered address of JDI Backup is: 12 New Fetter Lane, London EC4A 1JP.

During the year ended 31 December 2024, due to a decline in JDI Backup's revenues, increased customer churn, rising costs and the expectation of dissolving JDI Backup by the end of 2025, Touch Local Limited's investment in JDI Backup was impaired in the amount of £3.7 million.

The dissolution of JDI Backup did not occur during the year ended 31 December 2025 as planned, however it is expected to happen during the year ended 31 December 2026. Accordingly, Touch Local Limited's investment in JDI Backup was impaired by £50 thousand during the year ended 31 December 2025.

The net book value of the Company's investment in JDI Backup is £nil at 31 December 2025 (2024: £nil).

JDI Backup's company information is as follows:

Name and registered number		Nature of business	Proportion of voting rights and ordinary share capital owned	
			At 1 January 2025	At 31 December 2025
JDI Backup Limited	7488961	Cloud-based services	30%	30%

Notes to the financial statements (continued)

10 Debtors

	GROUP		COMPANY	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Trade debtors	**226**	382	**104**	116
Other debtors	**102**	105	**77**	9
Prepayments and deferred costs	**787**	745	**7**	5
Accrued income	**90**	128	**69**	98
Deferred tax asset	**618**	442	**—**	—
Amounts due from group undertakings	**—**	—	**1,525**	727
Prepayments and deferred costs, non-current	**321**	393	**—**	—
	2,144	2,195	**1,782**	955

Amounts due from group undertakings are non-interest bearing and due upon demand.

Trade debtors include provision for uncollectible receivables £125 thousand (2024: £159 thousand) for the Group and £nil (2024: immaterial amount) for the Company. Bad debts written off amount to £107 thousand (2024: £182 thousand) for the Group and an immaterial amount (2024: immaterial amount) for the Company and are included in administrative expenses.

The deferred tax asset consists of tax benefits expected to be utilised in future periods related to the Group's net operating loss carryforward.

11 Creditors

	GROUP		COMPANY	
	2025	2024	**2025**	2024
	£'000	£'000	**£'000**	£'000
Trade creditors	**71**	109	**30**	17
Accrued compensation	**219**	175	**41**	15
Social security	**69**	110	**3**	1
Accrued taxes	**73**	164	**—**	—
Accruals	**176**	135	**58**	58
Deferred income	**1,613**	1,971	**12**	8
Amounts owed to group undertakings	**—**	—	**2,323**	1,605
Amounts owed to indirect parent and its subsidiaries	**5,431**	5,042	**3,456**	3,805
Deferred income, non-current	**615**	620	**—**	—
	8,267	8,326	**5,923**	5,509

Amounts owed to group undertakings are non-interest bearing and due upon demand.

Amounts owed to indirect parent and its subsidiaries includes an intercompany loan related to purchase of JDI that bears interest. See Note 9, Fixed asset investments for further details. All other amounts owed to indirect parent and its subsidiaries are non-interest bearing and due upon demand.

Notes to the financial statements (continued)

12 Called-up share capital

Ordinary shares of 0.01p each

	Number	Amount £
At 31 December 2025		
Allocated, called up, and fully paid		
Ordinary Shares of 0.01p each	11,240,689	1,124
At 31 December 2024		
Allocated, called up, and fully paid		
Ordinary Shares of 0.01p each	11,240,689	1,124

The Ordinary Shares shall be entitled to the following rights:

Voting in general meetings

The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and vote at the general meeting of the Company.

Dividends

All dividends declared by the Company shall be payable to the holders of the Ordinary Shares pari passu as if the same were one class of the Shares and shall be distributed pro rata according to the number of Shares held by them respectively.

Capital rights

On a return of assets on a liquidation or a winding-up, reduction of capital or otherwise, the assets of the Company remaining after payment of such liabilities as it is necessary to discharge to effect the distribution shall be distributed based on a complex formula laid out in the Articles of Association.

13 Operating leases

The Group's non-cancellable operating lease rentals are payable as follows:

	GROUP	
	2025	2024
	£'000	£'000
Leases which expire:		
Within one year	—	23
Within two to five years	—	1
Over five years	—	—
	—	24

As at 31 December 2025 and 2024, the Company did not have any non-cancellable operating lease rentals payable.

Notes to the financial statements (continued)

14 Stock-based compensation

2021 Stock Incentive Plan

On 29 April 2021, the Board of Directors and stockholders of Newfold Digital Holdings, Inc., an indirect parent entity of Newfold Digital Holdings Group, Inc., the ultimate parent company, approved the 2021 Equity Incentive Plan (the "2021 Plan") in which a maximum aggregate of 208,700,000 shares of common stock may be issued, granting the recipient the option to purchase shares of the indirect parent entity's Class B common stock. Under the 2021 Plan, Newfold Digital Holdings Group, Inc. and its wholly owned subsidiaries ("Newfold"), has the ability to issue incentive stock options ("ISOs"), non-statutory stock options ("NSOs"), restricted stock awards ("RSAs"), restricted stock units ("RSUs") and other stock awards.

Under the 2021 Plan, Newfold may issue share-based awards to eligible recipients including employees, directors, and consultants in the form of stock options that vest based on service, performance and market requirements. Under the 2021 Plan, the term for each stock option is ten years from the grant date. The Company has issued two types of options, which are referred to as Type 1 Options and Type 2 Options.

Type 1 Options vest on the twelve month anniversary of the vesting commencement date; the balance of the options vest in a series of 48 successive equal monthly instalments, measured from the twelve month anniversary of the vesting commencement date, subject to Option Holder's continuous service at each vesting date (service condition). Further, such shares can be vested earlier upon the occurrence of a Qualified Change in Control, subject to certain conditions (performance condition). Unless otherwise approved by Newfold's Board of Directors, service-based options typically vest over a five-year period and Newfold recognises stock-based compensation expense on a straight-line basis over the requisite service period of the award. Type 1 Options represent approximately 33% of the outstanding options.

Type 2 Options vest and become exercisable on the day prior to ten years from the date of grant, subject to the Option Holder's continuous service through such vesting date (service condition). However, upon the occurrence of a Qualified Change in Control prior to such default vesting date (performance condition and a market condition), the shares subject to the Option shall vest and become exercisable immediately prior to such event, subject to the Option Holder's continuous service as of the date immediately prior to such event (service condition). Upon the occurrence of a liquidity event, all Type 2 Options outstanding immediately prior to the event will become vested and exercisable, if the market condition was achieved. Newfold recognises stock-based compensation expense on a straight-line basis over the requisite service period of the award. Type 2 Options represent approximately 67% of the outstanding options.

Stock Options

Compensation expense related to the options granted under the 2021 Stock Option Plan was £(19) thousand and £73 thousand for the years ended 31 December 2025 and 2024, respectively. During 2025, the only Group employee that held grants from participation in the 2021 Plan, was voluntarily terminated, and as a result, 867 thousand unvested awards were forfeited. The 133 thousand vested shares were exercised at the option of the employee and repurchased by Newfold Digital Holdings Group, Inc. The expense for the year ended 31 December 2025 was negative due to the reversal of stock compensation expense from the awards that were forfeited upon termination.

Determining the fair value of share-based awards requires the input of subjective assumptions, including the fair value of Newfold Digital Holdings Inc.'s common shares, and for share options, the expected life of the option, and expected share price volatility. The fair value of each option award is estimated on the grant date using the Monte Carlo Simulation valuation model and the assumptions noted in the following table. The assumptions used in calculating the fair value of share-based awards represent management's best estimates and involves inherent uncertainties and the application of management's judgment. As a result, if factors change and management uses different assumptions, the share-based compensation expense could be materially different for future awards. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant. The Company is a private

Notes to the financial statements (continued)

company and estimates its expected stock volatility based on historical volatility of publicly traded peer companies. Expected life is an estimate based on the current expectations for the future as determined by management.

The following inputs were used to determine the fair value of Newfold Digital Holding's common shares:

	Year ended 31 December
	2024
Risk-free interest rate	4.4%
Dividend yield	—
Expected life (in years)	1.5
Volatility	40%

There were no stock options granted during the year ended 31 December 2025.

The following table provides a summary of the Company's outstanding stock options as of 31 December 2025 and the stock option activity during the year ended 31 December 2025 for all stock options granted under the 2021 Plan:

	Number of Options	Weighted-Average Exercise Price (per share)
Outstanding shares at 31 December 2024	1,000,000	£ 0.31
Granted	—	
Exercised	(133,333)	£ 0.34
Expired/Cancelled/Forfeited	(866,667)	£ 0.31
Outstanding shares at 31 December 2025	—	£ —
Vested shares at 31 December 2025	—	£ —

15 Related party transactions

The Group has related party transactions with Newfold Digital. Newfold Digital and its subsidiaries provide services for domain registration, as well as administrative support from the United States. The Group provides Newfold Digital and its subsidiaries with services that include customer service and other management support.

At 31 December 2025, the Group owed Newfold Digital and its subsidiaries the amount of £5.4 million (2024: £5.0 million). Newfold Digital and its subsidiaries are not seeking repayment of these amounts currently due. Included in these amounts is £3.1 million (2024: £3.3 million) for an intercompany loan agreement for the purchase of JDI Backup as described in note 9, Fixed asset investments. The change in the intercompany loan agreement is due to the accrual of interest expense and changes in currency rates. There have been no repayments on the intercompany loan agreement for the purchase of JDI Backup.

The Company has taken advantage of the exemption in FRS 102 Section 33.1A from disclosure in respect of intra-group related party transactions.

Notes to the financial statements (continued)

16 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Newfold Digital Holdings Group, Inc. The ultimate controlling parties are jointly and equally Siris Capital Group (601 Lexington Avenue, 59th Floor, New York, NY 10022) and Clearlake Capital Group, L.P. (233 Wilshire Blvd., Suite 800, Santa Monica, CA 90401).

The smallest and largest group in which the results of the Company and its subsidiaries are consolidated is that headed by Newfold Digital Holdings Group, Inc. The consolidated financial statements may be obtained from 5335 Gate Parkway, Jacksonville, Florida, 32256.

17 Subsequent events

The Company has evaluated subsequent events through 18 September 2026, representing the date on which these consolidated financial statements were available to be issued and determined that there have been no events that have occurred that would require disclosure.