Journeo

Connected systems, for connected journeys

Annual Report and Financial Statements
for the year ended 31 December 2024

Journeo

Journeo plc is a leading Intelligent Systems provider, delivering powerful technology solutions and services for towns, cities, airports and the transport networks that connect them, contributing to safer, smarter and more sustainable communities.

Our vision is...

Converged networks of intelligent systems, autonomously moving people, goods and services, for safe and seamless mobility.

Our mission is...

To make the movement of people, services and goods safer, more efficient and accessible through innovation and systems integration, delivering a future of connected systems, for connected journeys.

Our values are...

We are inquisitive

- **We listen and collaborate with customers to get to the heart of the challenge.**
- **We iterate, develop and refine our solutions.**
- **We spend time in our communities to learn, reflect and include their perspectives.**

We are industrious

- **We act with urgency, focus and dedication.**
- **We work with energy and expertise.**
- **We engage with all stakeholders and seek to integrate their needs.**

We are innovative

- **We deliver the right solutions and support for the years ahead.**
- **We care for our customers' legacy, current and emerging needs.**
- **We use our knowledge and experience to collaborate in and across industries.**

We operate with integrity

- **We take responsibility and ownership to deliver the right solution and outcome.**
- **We act with honesty.**
- **We support our communities whenever and wherever we can.**

Highlights

Financial highlights

£49.6m
Revenue
(2023: £46.1m)

£17.7m
Gross profit
(2023: £14.3m)

£5.0m
Profit before tax
(2023: £3.7m)

£14.3m
Cash and cash equivalents at 31 December 2024
(2023: £8.1m)

26.29p
Diluted earnings per share
(2023: 17.96p)

Read more in the **Consolidated statement of accounts** on pages 52 to 82

Operational highlights

- **Formed the Journeo Design Centre (JDC) to build upon the work of our R&D team, to create new, scalable, world-class products.**
- **Initiated organisational developments and senior leadership appointments to support the Group in its next phase of growth.**
- **Worked with Transport for London (TfL) to deliver Journeo's digital wing mirror system, as part of the transport executive's Vision Zero programme.**
- **Implemented a new Group-wide HR system and employee support programme.**
- **Successfully completed phase 1 of Infotec's major US contract for the New York Subway.**
- **Continued integration of Infotec and Journeo A/S, with cross-selling opportunities identified.**
- **Retained all ISO 9001, 14001, 27001, 45001 accreditations and cyber security and ICO certification.**

Read more in the **Chief Executive's report** on pages 14 to 17

Contents

Investment proposition

Journeo is a leading provider of Intelligent Transport Systems, supporting customers to deliver operational enhancements and make public transport and commercial freight safer, more sustainable, more attractive to passengers and the de-facto choice for journeys of all types.

Our solutions are applied in two key market segments of the transport sector: **On-vehicle systems** and **Infrastructure systems**. They are delivered through our four operating companies:

Journeo Fleet Systems Ltd: Advanced on-vehicle systems integration backed by Journeo cloud-based services, and nationwide support teams.

Journeo Passenger Systems Ltd: On-street passenger information solutions including displays technology and the cloud solutions that power them.

Journeo A/S: On-vehicle and on-street transport solutions for our customers in the Nordic and Scandinavian regions.

Infotec Ltd: Designer and manufacturer of advanced passenger information display solutions to highly complex and regulated markets such as rail.

You can learn more about the operating companies within the Group on pages 6 to 9

Opportunities for growth

We have identified attractive growth opportunities where there is a focus on increasing the number and quality of journeys using public transport, particularly in, around and connecting cities, to reduce congestion and support low-emissions goals. This is backed by significant Government funding and the regulatory changes from the Bus Services Act 2017. The National Bus Strategy for England allocated £1.4bn funding resulting in ambitious technology-led Bus Service Improvement Plans (BSIPs) by local authorities. The new Labour Government is advancing this agenda and has committed a further £1bn to BSIP funding alongside the introduction of the Better Buses Bill, which is currently going through Parliament. Control Period 7 (CP7), launched in April 2024, will deliver the next tranche of central Government funding for the UK's rail infrastructure.

Competitive position

We compete by listening to our customers and focusing on meticulous systems design, engineering and long-term support, all driven by continuous innovation.

This approach is driving our growth and we are discovering valuable insights through the application of Artificial Intelligence (AI) and Machine Learning (ML) techniques on the large amounts of data generated from connected vehicles and infrastructure systems. This is guiding us as we improve safety and performance, as well as optimise maintenance in both new and legacy applications.

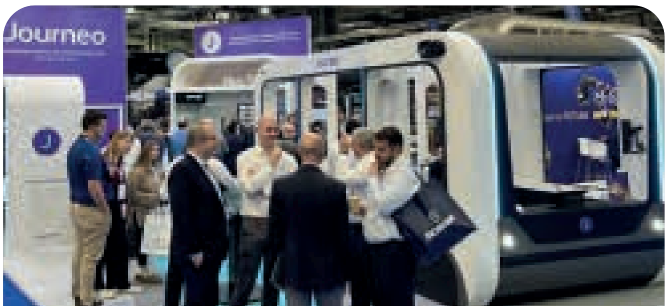
By leveraging economies of scale, we reduce costs for our customers, including fleet operators, vehicle manufacturers, local authorities, transport executives and Network Rail.

We operate in niche markets with few competitors and high barriers to entry due to enterprise risk and technical complexity. Managing long-lifecycle assets across large geographic areas and our ability to navigate growing complexity and converging solutions on the cloud provides us with an increasingly differentiated position. Bolt-on acquisitions will provide a additional routes to market for our core technology in other attractive market niches.

Recurring revenue and SaaS

The capabilities of our powerful software solutions are being recognised by a growing number of specialist equipment manufacturers, who use the Journeo Portal to present their performance data to end users. As a result, the Company is achieving long-term contracts that generate recurring revenues, alongside the SaaS-based income from its latest software solutions.

The Journeo Portal has the capability to manage on-vehicle technology and transport-related infrastructure from a single interface, providing a powerful and compelling proposition for authorities that are progressing through the franchising process.



Investing in growth

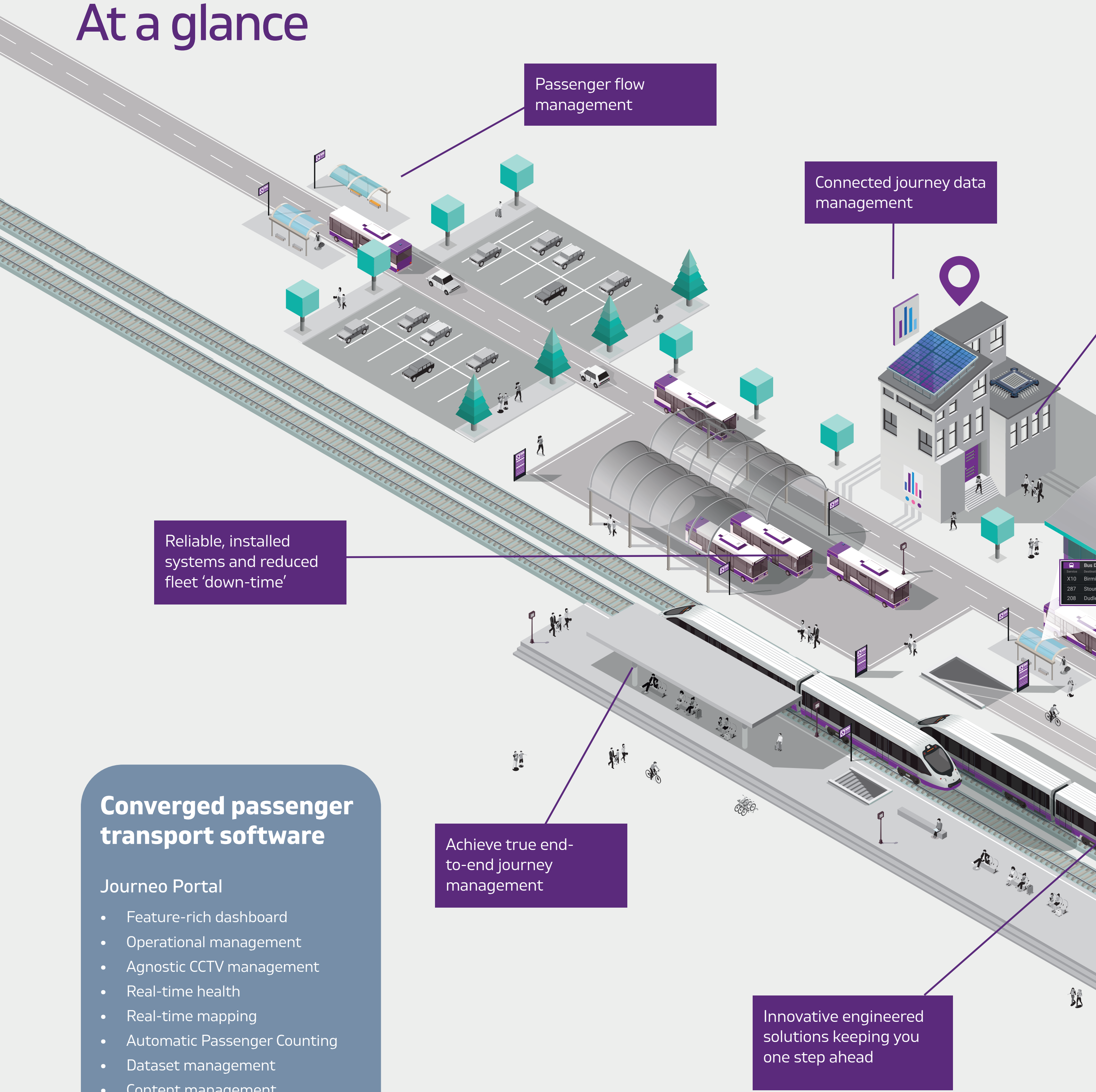
In the last four years, Journeo has invested over £6m in Research and Development and in 2024 formed the Journeo Design Centre (JDC), a Group-wide resource to support the development of new scalable solutions which capture, process, analyse and display essential information to deliver connected journeys safely.

We use AI, automation and ML techniques to deliver powerful new solutions for customers, and our service offering includes design, installation, on-site support, analytics and back-office systems.

In addition, the Group's growing market presence is enabling exclusive relationships to be forged with specialist equipment manufacturers, which have the potential to significantly increase revenue.

Bolt-on acquisitions are being targeted to supplement the Group's impressive organic growth and accelerate penetration into new markets where our technology can add value to customers.

At a glance



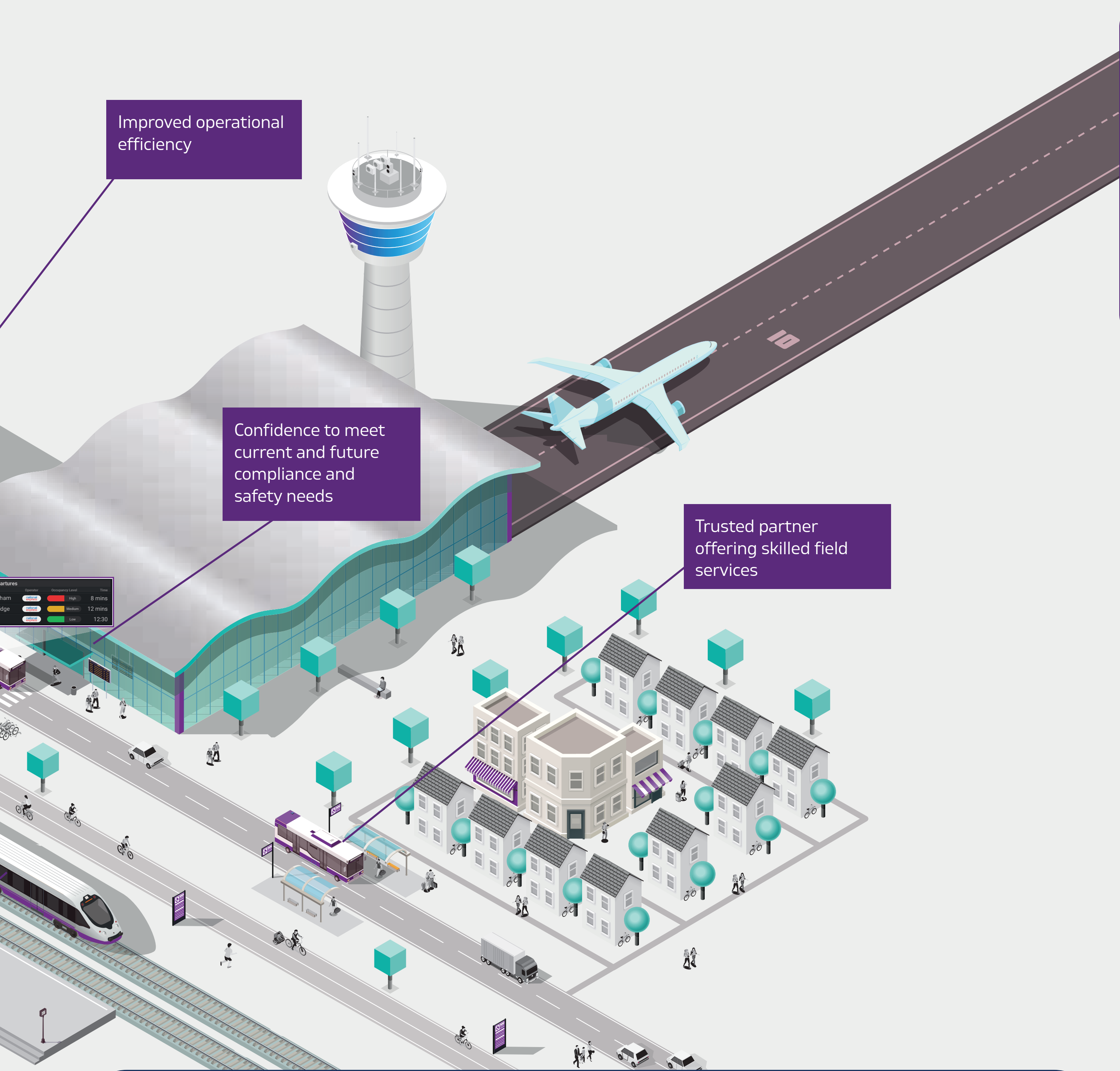
Converged passenger transport software

Journeo Portal

- Feature-rich dashboard
- Operational management
- Agnostic CCTV management
- Real-time health
- Real-time mapping
- Automatic Passenger Counting
- Dataset management
- Content management
- 'RTI anywhere'
- Complex messaging management

Javelin Content and Asset Management

- Asset mapping
- Health monitoring
- Self-managed playlists
- Template management



Infrastructure systems

- Bay displays
- Stretched in-shelter displays
- Summary displays
- Full-colour LED displays
- Low-power E-ink displays
- Solar-powered TFT displays
- Interactive wayfinding totems
- Air quality sensors
- In-shelter CCTV
- Bus station Wi-Fi

On-vehicle systems

Bus, coach and specialist vehicle

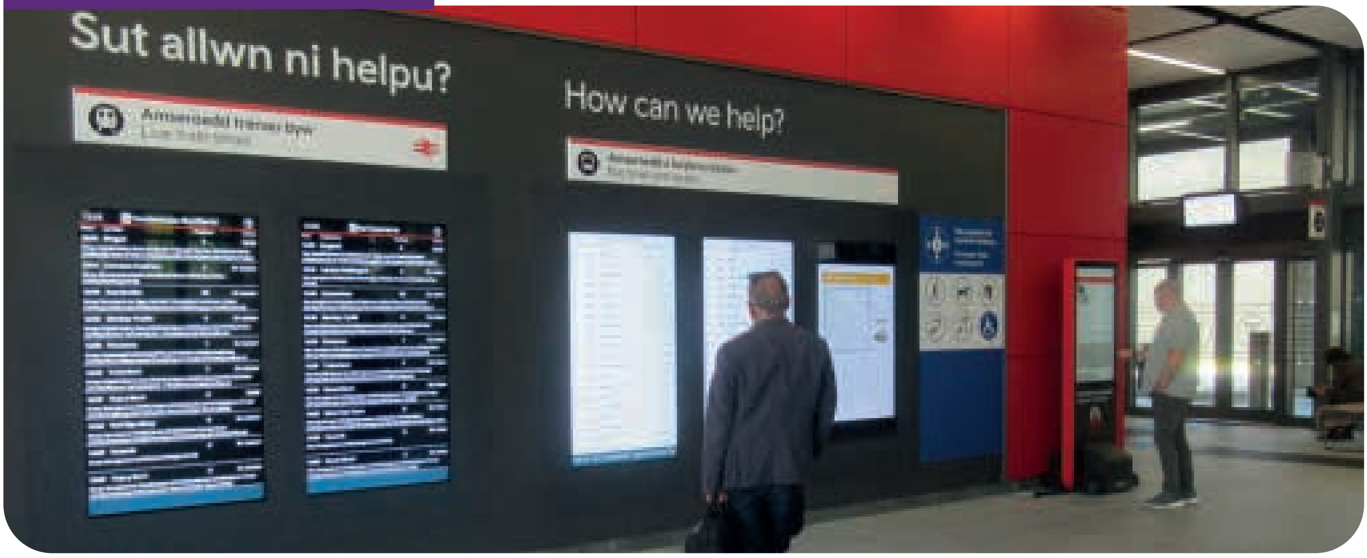
- Automatic passenger counting
- CCTV
- Driver displays
- Next stop announcement displays
- On-board Wi-Fi
- Journeo Camera Monitoring System (Journeo CMS)
- Telematics and driver behaviour

Rail

- Forward-Facing CCTV
- Automatic passenger counting
- Saloon CCTV
- Station information security systems
- Train Wi-Fi
- Track Incursion Monitoring (TIM)

Passenger Systems

Read more in the **Chief Executive's report** on pages 14 to 17



£9.5m
Revenue

5% increase
(2023: £9.0m)

We provide our solutions to local authorities and Passenger Transport Executives (PTEs) across the UK and have over 7,000 display systems under software or support contracts.

These systems are driven by our powerful Content Management Systems (CMS). Our solutions give local authorities and PTEs the ability to display scheduled and real-time transport information in conjunction with supporting media and vital disruption messaging for routes and services. Our latest iteration, delivered through the secure and scalable Journeo Portal, is the nationwide CMS for transport displays throughout Wales and multiple customers are seeking to migrate to this from our legacy 'EPIX' CMS.

Our ruggedised outdoor display products are designed with sustainability in mind and are manufactured in long-lasting and robust materials to withstand harsh environments for many years. We use high-performance imaging panels, the latest communications technology and low-energy semiconductors.

SOLUTIONS

INTELLIGENT DISPLAY TECHNOLOGY

We have developed a range of specialised display solutions including ultra-low power versions, full-colour LED and TFT/LCD models to suit most locations. Our displays are built around our own core technology and use open-platform communication methods and machine-learning techniques. We monitor the health and performance of our displays to provide customers with durable city-wide solutions for passenger information and vital disruption messaging. Our latest display products can be integrated into new bus shelters and bus stops or retrofitted to existing locations. Additionally, our graphics controllers can be applied to third-party display technology, enabling the Company to take over pre-existing estates.

CONTENT MANAGEMENT

Our powerful CMS manages scheduled and real-time information updates for millions of departures each day. The software manages display templates, disseminates critical disruption and public service messaging, and can be supplemented with advertising content for revenue generation. Our innovative 'RTI anywhere' solution enables users to access information on any transport location held in our CMS directly from their own device, without the need for a display.

INTERACTIVE WAYFINDING

To highlight points of interest, destinations and transport services, our interactive wayfinding totems allow local authorities and PTEs to provide the information needed to move people around towns and cities. Integration with web technologies enables our customers to extend the reach of their messaging directly to the user's own personal device.

Fleet Systems

Read more in the **Chief Executive's report** on pages 14 to 17

£23.7m
Revenue

45% increase
(2023: £16.3m)

We provide vital on-board safety and efficiency solutions to fleet operators, large and small, with many thousands of vehicles connected to our SaaS platform in the UK, Ireland and Sweden.

With a growing share of the UK bus market, we are proud to include leading companies such as Transport UK (formerly Abellio), Stagecoach, First Group, National Express and Translink among our many customers. We have around 30% of the UK bus market connected to the Journeo Portal. We also serve customers in rail, light-rail and specialist commercial vehicle sectors.

Journeo management software provides fleet operators with powerful tools to improve operational efficiency, revealing valuable data insights of their business performance and in the delivery of smarter, safer cities. Our key enabling technology is the Journeo Edge which runs vehicle applications such as remote condition monitoring, agnostic video management and passenger counting. Our FITAS-approved engineering services cover the design, systems integration, installation and field service support.

SOLUTIONS

ON-BOARD TECHNOLOGIES

Our solutions include Voice Over Internet Protocol (VOIP), Closed Circuit Television (CCTV), Automatic Passenger Counting (APC), Telematics, Next Stop Announcements and Passenger Wi-Fi. Our design engineering complies with European Committee for Standardisation (CEN) standards.

Installations are completed in accordance with Federation of Communication Services (FCS) regulations. We are members of Information Technology for Public Transport (ITxPT) and systems' data are securely communicated to our Journeo Portal via our Journeo Edge intelligent gateway in open formats.

JOURNEO PORTAL

The Journeo Portal is a secure, scalable and easy-to-use interface that enables our customers to gain operation-critical insights from the data generated in real time by their vehicles.

Sold as SaaS, the Journeo Portal integrates seamlessly with new and legacy on-board solutions to provide a complete view of on-board system health monitoring, whilst enabling users to perform key tasks more easily, such as video evidence handling, driver performance monitoring and operational safety management.

OPERATION OPTIMISATION TECHNOLOGIES

We capture and process data from multiple on-board technologies to optimise operations. Using intelligent automation, we provide solutions that can manage customers' operations for them, provide exception alerts and disseminate data to key decision makers; for example, improving the utilisation of large area car parks for bussing services at major European and UK airports.

Infotec

Read more in the **Chief Executive's report** on pages 14 to 17

£12.4m
First full year revenue (2023: £19.7m)

Infotec designs and manufactures robust passenger information display solutions for the heavily regulated rail market. Working with Network Rail and Train Operating Companies (TOCs), Infotec has around 80% market share for on-platform display signage within the UK; with over 12,000 devices shipped and installed.

Infotec displays are built to withstand the challenging environment of public-space operation for very long operational life and are designed, manufactured and compliance tested at its Leicestershire factory.

Installed displays are supported through Infotec's cloud-based Javelin content and asset management software to ensure its customers can provide the correct priority information to passengers through open platform protocols.

Infotec entered the North American market, where it has supplied over 5,000 displays to Outfront Media for the New York Subway/ Metropolitan Transportation Authority (MTA). Bespoke display formats have been created to meet the unique requirement, providing the MTA with a tailor-made solution, backed by proven quality and reliability.

SOLUTIONS

TETRUS HARDWARE PLATFORM

On-station and in-vehicle displays can be seen at rail stations or on trains throughout the UK, built on a common hardware platform that enables Infotec to provide single-colour LED, RGB LED or TFT displays, all operating through open standard protocols. Robust and designed for long-term use in public space environments, quality is assured via strict compliance testing completed in-house through state-of-the-art EMC and safety testing centre, resulting in products accredited to EN50121-4, EN50155, EN45545 and PRM-TSI Standards. Infotec works closely with customers to deliver a constant evolution of displays to meet the current and future needs of the rail market.

TSPLAYER

Exclusively created for Customer Information Systems, Infotec's agnostic software platform has been designed and developed to convert open-protocol data into understandable information displayed on any LED or TFT screens, for the benefit of the travelling public. As robust as the hardware platforms it operates on, tsPlayer provides super smooth animations and pixel-perfect presentation. Integrated audio and Text To Speech (TTS) capability ensures that the information delivered to passengers remains accessible to all users of the system.

JAVELIN CONTENT AND ASSET MANAGEMENT

Cloud-based content and asset management software puts the power to manage and monitor information estates directly in the hands of customers. Users have the ability to set and create templates, build and deploy playlists, or simply monitor the health and performance of the displays that they oversee. Easy to navigate and understand, the software has been designed to ensure that customers are able to get the most from their displays, without the need to constantly manage the system.

Journeo A/S

Read more in the **Chief Executive's report** on pages 14 to 17

£4.0m
First full year revenue (2023: £1.1m)

Journeo A/S is a leading provider of fleet management and infotainment solutions to the Nordic market. The business works with local transport executives and leading operators throughout Denmark, extending into Sweden.

Journeo A/S has an in-house development resource and provides customers with an end-to-end solution that includes tailored solution design, project management, on-site installation services and extended maintenance and support services.

The Company has a strong history of building SaaS-based revenues, providing cloud-based solutions to monitor and manage the advanced solutions that Journeo A/S provides.

SOLUTIONS

IBI FLEET MANAGEMENT

The IBI Fleet Management platform gives customers the power to manage the solutions installed within their fleet, including CCTV, on-board systems communications and Voice Over Internet Protocol (VOIP) systems. Designed to be simple, fast and intuitive, customers have the power to track their vehicles and obtain service critical information from Elastic big data storage, such as vehicle location, fuel consumption and battery status information.

ON-VEHICLE SYSTEMS

Specialists in the design and integration of on-board systems, Journeo A/S creates on-vehicle system networks that enable operators to collect data from on-vehicle systems that is essential to demonstrating to regional transport executives that they are performing against their contracts in a highly regulated environment. Data captured is also leveraged to drive other on-board systems within the network such as advanced passenger infotainment systems.

DIGITAL SIGNAGE

Journeo A/S provides a comprehensive range of on-vehicle and in-street signage, built to its own designs. The robust solutions have been created to operate in the challenging conditions of the Nordic and Scandinavian region, delivering clear and reliable information to passengers. Journeo A/S works with local and regional data providers to ensure that real time information is correctly handled and the right information is delivered to the right location, at the right time.

Chairman's statement

"The Group is now well positioned to benefit from the transition to the sustainable communities and transport of the future."

Mark Elliott
Non-executive Chairman

Introduction

I am pleased to be able to report another set of strong results to our shareholders and other stakeholders for the financial year ended 31 December 2024. This is the fifth year in a row that we have grown revenues, recurring revenues and Profit Before Tax (PBT) with good cash generation. This is an excellent track record delivered by the whole Journeo team.

Whilst we did not complete any acquisitions in the year, those completed in prior periods contributed strongly to our performance in 2024, and increasing adoption of our solutions and systems enabled us to deliver revenue growth of 8% and PBT growth of 33%.

Our addressable market is growing and important initiatives, such as the implementation of the Journeo Design Centre (JDC), are well underway. This important new extension of our Research and Development capability is giving the Group's operating companies access to new and innovative solutions and powerful software that will enter the market over the course of 2025.

Markets

Since my last report, the UK has transitioned to a new government. This can always be a time for speculation as priorities around public policy and public spending shift. However, the UK's commitment to achieving Carbon Net Zero by 2050, and the promotion of public transport as a key method of reducing emissions persists and, in some ways, has been further strengthened.

We welcome the announcement of the Better Buses Bill as an extension of the previously announced National Bus Strategy. The new Government is clearly signalling its commitment to putting bus services at the centre of local transport strategy and supporting the effort to increase patronage. Local authorities are following suit through the implementation of Bus Service Improvement Plans.

2024 also signalled a transition year within the rail market, as Network Rail moves from one five-year funding Control Period (CP) to the next. Historically, transition between control periods leads to an initial dip in industry activity with a ramp-up towards the end as budgets and programmes are completed. The situation was further complicated as the change from CP6 to CP7 (in April 2024) coincided with the election and subsequent change in Government.

However, I am pleased to report that we are seeing an upturn in activity as project implementation teams assess their new funding streams and priorities.

In the USA, we continued to successfully deliver our large order of the initial phase of displays technology for 535 Metropolitan Transportation Authority (MTA) subway cars with our customer, OutFront Media (OFM). Whilst plans to push forward with media screens for the second phase are on hold due to suppressed ridership on the New York Subway, newly elected President Trump is committed to returning people to work in their offices, potentially increasing passenger footfall. Further opportunities are arising through our relationships and our engagement in the US market.

Strategy

We continue to seek out and target complementary acquisitions that can support the Group with its growth ambitions. Both recent acquisitions, initially Infotec and more recently, Journeo A/S (previously MultiQ in Denmark), have proved to be valuable additions to the Group. On top of access to customers, markets and opportunities, both have brought significant insight and expertise that is assisting the Group to refine its solutions and offerings.

All parts of the Group focus on the importance of building deep, long-lasting bonds with customers. It is these strong relationships that have, and continue, to enable Journeo to target Research and Development where valuable Intellectual Property can be created for the Group. This supports our customers for their current and future needs and in turn enables the Company to technically differentiate itself and support our organic growth.

When assessing new organisations as potential acquisitions, it is important that they share a customer-centric approach. We have identified several targets that we are pursuing with interest and I look forward to updating you further, in due course.

Environmental, social and governance

The Group has continued its work on ESG and will shortly be releasing its first Carbon Reduction Plan (CRP). A full update on our activities can be found on pages 30 to 32 of this report.

People

The Group continues to invest in attracting talented individuals to join us at many levels throughout the organisation.
In recent years, and as we grow, it is important to retain the people that helped make the businesses in the Group successful and attractive acquisition targets in the first place. To achieve this, we are supporting our teams with personal development through training and the introduction of new talent.

As a result, I am delighted to welcome some new appointments to the Senior Leadership Team; Richard Webb and Scott Cannon. Richard joined the Group in November 2024 as Group Sales Director and Scott recently joined as Group Head of Software in March 2025. Both bring with them a wealth of experience in establishing and nurturing teams in growing technology businesses.

We will continue to develop the Senior Leadership Team over the course of 2025 as we ready ourselves for future growth stages of the business.

I would like to take the opportunity to thank all those that helped make 2024 a successful year and underscore the Board's commitment to supporting them as we continue to develop and grow.

Outlook

The Group strategy is working and as part of this we are now executing the next stage of the Group's evolution to generate further growth and increasing value to our customers, shareholders and people. To achieve this we are increasing our investment to develop the environment from which we can grow; creating new systems and solutions, strengthening our management teams and targeting acquisitions that align with our strategy and fuel our growth.

The development and innovation of next generation solutions has always been, and remains, absolutely fundamental to the future prosperity of the Group. We invest in our Research and Development to ensure that we can support our customers with their legacy systems and prepare them for the transition to their new systems. The introduction of the JDC and similar initiatives within the Group is rapidly creating synergies within our product development and we will see several of these solutions come to market during 2025.

The strong cash position of the Group and the availability of debt enables us to finance complementary acquisitions and we have well-developed criteria to assess the suitability of target companies. We have identified a number of organisations that will provide new routes to market for Journeo technology, deepen our capabilities or are in adjacent markets.

The Group is now well-positioned to benefit from the transition to the sustainable communities and transport of the future. We have a strong orderbook and an unprecedented sales opportunity pipeline, centred around our own core IP, giving the Board confidence that we will continue to grow and deliver increasing stakeholder value.

Mark Elliott
Non-executive Chairman

25 March 2025

Read more in the **Consolidated statement of accounts** on pages 52 to 82

Strategic Report

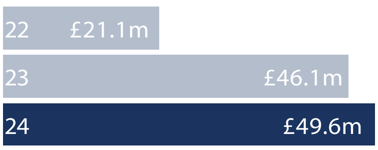
IN THIS SECTION

Chief Executive’s report

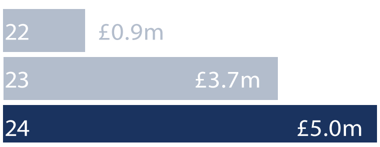
“Strong market drivers, backed by defined Government funding, align with our strategy; and we are accelerating the development of products, services and solutions to capitalise on the opportunities emerging.”

Russ Singleton
Chief Executive

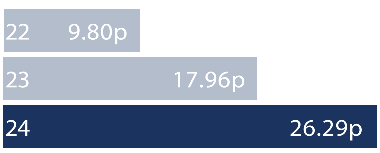
Group revenue



Profit before tax



Diluted earnings per share



Introduction and strategic update

Throughout last year we generated increased sales, profits and cash as we focused on the continued development of the Group and further consolidation of the acquired businesses. We are making significant progress in establishing Journeo as a market leader in Intelligent Transport Systems.

In January 2024 we formed the Journeo Design Centre (JDC), to build upon the work of our Research and Development teams to deliver new products and solutions that can scale for worldwide sales.

Strategic Group-level appointments in sales and procurement have also been made to drive growth. Further appointments will be made in 2025 as we rationalise the supply chain and introduce high-performance procedures and processes across the Group.

Cumulatively, these actions provide the capabilities that we need to ensure Journeo can scale alongside the increasing adoption of our solutions, maintaining the customer-focused approach that is the cornerstone of our business.

More widely within the industry, there remain challenges with ridership and the volume of users of public transport services. However, the need to develop a sustainable public transport network to meet Carbon Net Zero goals and to efficiently move people, goods and services to create the communities of the future is essential.

As such we were encouraged, both by the announcement in September 2024 from the new UK Government that they will be introducing the Better Buses Bill that aims to deliver faster, cheaper and improved bus networks, and early market indications towards the end of the year that the conventional hiatus of activity in the rail markets during Control Period transition (Control Period 7 commenced in April 2024) is beginning to alleviate.

These strong market drivers, backed by defined Government funding, align with our strategy; and we are accelerating the development of products, services and solutions to capitalise on the opportunities emerging. As a result, we expect to deliver continued organic growth and intend to capture adjacent market opportunities through carefully targeted acquisitions.

Operational review

Fleet Systems

The performance of our Fleet Systems business has been exceptionally good, finishing the year slightly ahead of management expectations. The continued adoption of our systems across the year resulted in strong revenue growth of 45% to £23.7m (2023: £16.3m). This has been achieved whilst also generating a 4% margin improvement across the year.

In March 2024, we announced two significant purchase order awards valued at £1.9m and £1.1m respectively. Both awards were for retrofit programmes of Journeo's market-leading Camera Monitoring System (CMS) digital wing mirrors, for bus operator customers operating within the Transport for London (TfL) fleet. The solution is a core tenet of TfL's Vision Zero strategy, which aims to remove all deaths and serious injuries from London's transport network by 2041 and the retrofit programmes, spread across several large operators including Stagecoach, Metroline, Arriva and Transport UK (formerly Abellio) has seen installations across multiple vehicle types including London's iconic New Route Master to stringent United Nations R46 Standards. The purchase order values were increased significantly to include systems support for the remainder of the vehicles' operating life in London of up to five years.

The business is also growing its presence in the rail market, with sales direct to vehicle owning Rolling Stock Companies (ROSCOs) that are somewhat independent of Network Rail control periods. In July, £3.0m of technology solutions contracts were secured with Porterbrook and Arriva Train Care, split across two Train Operating Companies (TOCs). The rail market is complex with long sales cycles and the award signals the beginning of a greater adoption of our solutions in this market. Built upon core technologies developed in our Bus and Airport solutions, the contracts are for the delivery of on-board CCTV and Automatic Passenger Counting (APC) systems. In addition to providing hardware, system design and first fitment support, all systems are securely connected to the Journeo Portal via existing train-to-shore communication platforms delivering valuable recurring SaaS revenues.

Also, in July, the Fleet Systems business increased its presence in the North-West of the UK, following purchase orders of £2.1m from Metroline Manchester. A subsidiary of ComfortDelGro, the operator has been successful in franchising awards from Transport for Greater Manchester (TfGM) part of Greater Manchester Combined Authority (GMCA), winning four franchises. Journeo Fleet Systems was engaged to install safety critical CCTV systems prior to the end of December 2024 and was selected based upon successful completion of prior projects and our secure and easy to use Journeo Portal platform, with the order including the first years' SaaS subscriptions. The project was successfully delivered in time for the launch of the newly franchised Bee Network routes and we look forward to further increasing our presence in both Metroline and the region, with Journeo CCTV and CMS systems specified on all new vehicles entering the fleet.

In November, purchase orders totalling £1.7m were received for further installations of Journeo's CMS digital wing mirror solution, for RATP buses operating within TfL, increasing the dominant position Journeo's solution has in the market, beyond competitor systems and providing valuable future visibility of earnings for the business.

The Fleet Systems business achieved record order intake in the year and entered 2025 with a strong orderbook and a growing pipeline of opportunities.

Passenger Systems

The Passenger Systems business continues to perform in line with management expectations, delivering a 5% growth in revenues to £9.5m (2023: £9.0m). Margins have improved by 3% across the year.

In February 2024, we announced the award of a framework agreement with a Northern Transport Partnership, with an expected value of £5.0m through to January 2028. Part of a longstanding relationship, the framework provides the Partnership with access to Journeo's latest high-definition TFT, ultra-bright LED and low-power E-ink display solutions, that communicate using the latest industry open standards. Orders have already been placed on the framework as the Partnership looks to evolve into a more consolidated combined authority, with greater transport powers.

In March 2024, our Passenger Systems business was awarded a £1.5m purchase order from Swansea Council, for a range of Real Time Information (RTI) technology that further extends the presence of Journeo technology in Wales. The order included the delivery, installation and maintenance of TFT and interactive totem technology, and more than a third of the technology to be delivered will operate entirely on solar power, assisting the authority in meeting its Carbon Net Zero targets. Furthermore, the order also included the provision for Journeo's innovative new 'RTI anywhere' QR code solution for 500 bus stops. All data will be sourced from the Transport for Wales (TfW) new nationwide content management system, also provided by Journeo and announced in previous reports.

In December 2024, we announced a four year contract extension with City of Edinburgh Council. The extension is expected to generate over £1.5m revenue over the extension period and will focus on delivering continuous improvement and expansion of the RTI display network, following successful completion of phase 1 and 2 of the initial contract. Work will include improving the dynamic provision of information to alert passengers to delays, diversions and service changes, further promoting the use of public transport.

Key business development initiatives were commenced in 2024 and we have begun to see their impact, with £2.5m of orders secured in January 2025, just after the year end. With substantial Government funding being invested in the development of our towns, cities and sustainable transport networks, this remains a highly attractive market sector for Journeo.

Infotec

Infotec had another good year which was in line with management expectations. Revenue decreased to £12.4m (2023: £19.7m), however, we entered the year knowing that the transition between Control Periods and the successful completion of the first phase of the Metropolitan Transportation Authority (MTA) of New York/OutFront Media contract would lead to a reduction in revenues. Overall, the business performed very well and delivered a 7% margin improvement across the period.

The installation of on-board digital advertising within the next phase of 640 subway cars for the MTA has been postponed while ridership numbers remain suppressed compared to pre-pandemic levels. However, the customer relationships are good and further opportunities are presenting themselves.

The work that the business is undertaking to consolidate technology platforms and deliver next generation products certified for sale worldwide will benefit our customers and the Group. We have recently invested in additional business development resources to drive Infotec's future growth, in domestic and international markets.

Chief Executive's report CONTINUED

Journeo A/S

The performance of Journeo A/S (formerly MultiQ) in its first full year of trading was ahead of management expectations, delivering revenues of £4.0m and 0.4% margin improvement on the prior year. We are excited by the opportunities our increased presence in the Scandinavian and Nordic markets present and look forward to developing our activities in the region further.

The business was rebranded to Journeo A/S in September 2024, as part of the ongoing integration process into the Group and to increase the Journeo brand presence in the region.

In April 2024, we announced a contract for the provision of display hardware, installation and technical support services, for a period of up to six years, with Grassfish AB, who have been appointed by Skånetrafiken. The contract will be serviced by Journeo's Stockholm-based engineering team and provides valuable customer access to the regional transport authority in the Skåne county region, where Skånetrafiken operates more than 1,000 buses.

Journeo A/S has also sold one of the modules of our airport passenger transfer software application to Copenhagen airport in Denmark. The system was deployed within a month, demonstrating the adaptability and flexibility of Journeo's core technology and the potential to sell our airport solutions throughout the Nordic region.

In October, Journeo A/S was also awarded a contract from Umove, for up to £0.5m, to provide intelligent transport systems and services to 58 buses. The initial contract is for six years to 2031, with two potential four-year extensions through to 2039. Umove was founded in 2013 and has already become Denmark's largest privately owned public transport operator, with 650 buses. The contract provides valuable SaaS revenues and extends Journeo's activity with the operator, with our Danish subsidiary already providing services on over 430 of Umove's vehicles.

Central services

Throughout 2024, we made important improvements to our central services.

Procurement and supply chain management is being unified following the appointment in October 2024 of a new Group Head of Purchasing.

Innovation and our Research and Development (R&D) continues to underpin the Group's strategy and, in January 2024, we established the Journeo Design Centre (JDC). Comprising team members from the Group's operating companies, the JDC is leading the enhancement of our products and solutions that will fuel future growth in all business areas. Several new products are in development, which are scheduled to come to market in 2025.

Throughout the year, we maintained all ISO and cyber accreditations as we continue to focus on demonstrating our commitment to quality and governance.

The Group also completed its second annual customer survey, to further engage with our customers and gain an understanding of how they feel about our products and services. We strive to maintain open and transparent communication channels with our customers to ensure that we continue to develop close customer relationships and the outcome of these surveys determines changes we make within the business to ensure continuous improvement.

Across 2025, we will continue to invest in the Senior Leadership Team and the development and training of our people as we prepare the Group for further organic and acquisitive growth. This will complement the appointments made in 2024. We have ambitious plans and want to ensure that we continue to deliver a high-quality experience for our customers and reinforce the longevity of our hard-earned successes to date.

Russ Singleton
Chief Executive

25 March 2025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Markets

Global megatrends

Transport trends

Rapid urbanisation

- Increased congestion.
- Changing passenger demand.

Climate change and resource scarcity

- Move to zero-emission vehicles.
- Use of renewable energy.

Shift in global economic power

- Vehicle production rising in Asia.
- Continuing globalisation and standardisation within supply chains.

Demographic and social change

- Fewer journeys per person due to rise of the internet.
- Long-term reduction in young people holding driving licences.

Technological breakthroughs

- Transport in the Smarter City and IoT.
- More intelligent transport.
- A future of driverless and on-demand services.

Government policy

The transport sector, and particularly public transport, plays a key part in any strategy to reduce emissions and congestion. Most cities and governments have policies to encourage the use of public transport, and these policies have a major effect on the markets we serve.

Bus UK

Buses remain the most popular form of public transport in England.

However, bus journeys (individual trips conducted by passengers) have been declining for many years. In the 15 years since 2009, English bus journeys have decreased from 4.6 billion, to 3.6 billion in 2024. Journey numbers are also yet to recover to pre-pandemic levels, and are around 12% lower than the year ending March 2020 (patronage figures are published 1 April – 31 March).

This is unsurprising as bus mileage, which is often used as an indicator of how many bus routes are being operated, over a similar period (2005 – 2024), is around 29% lower. The one region that has defied this trend is London, where mileage has remained relatively stable over the same period, and passenger journeys have stayed consistently higher than the national average.

The industry continues to be heavily subsidised by public funding, with 44% of all bus industry income coming from the public purse. The remaining income is predominantly generated from fares.

Successive Governments have been committed to improving the use of public transport, particularly buses, as this is essential for the country to meet its Carbon Net Zero targets, reduce congestion and ensure mobility is accessible for all communities.

The UK became the first major economy to commit to Net Zero by 2050 in law. The ministerial foreword to the Department for Transport (DfT) report Decarbonising Transport – Setting the Challenge sets out that:

"Public transport and active travel will be the natural first choice for our daily activities. We will use our cars less and be able to rely on a convenient, cost-effective and coherent public transport network."

Significant investment from bus manufacturers is seeing technologies (predominantly hydrogen and electric vehicles) mature rapidly, and several large bus operators have already stated that they will never buy another diesel vehicle. We can expect this technology shift to accelerate, with most consumer-grade vehicles now also focusing on zero-emission vehicles.

The Bus Services Act 2017 sought to reverse some of the changes introduced by its predecessor, the Transport Act 1985. Under the initial act, all bus services outside of London were deregulated and operated on a purely commercial basis by operators who were able to determine services, timetables and fare charges. The role of local transport authorities was largely limited to providing infrastructure solutions such as bus stops, passenger information and bus lanes, on top of providing funding for concessionary travel and supported services, where there was a demonstrable community need, but the route was commercially unviable.

The Bus Services Act 2017 provided two routes for local authorities to gain greater control of the bus services that operate within their communities: Enhanced Partnerships (EPs) and Franchising.

An EP is an agreement between the local authority and its operators that operates on an exchange basis. The local authority will agree to fund infrastructure projects, such as enhancing the provision of real time information, or new bus lanes to make bus services more attractive to the public and therefore profitable. In exchange, the operator commits to a minimum set of standards, such as vehicle types and amenities, and the frequency of services.

A franchise agreement gives the local authority a higher level of control, specifying the services that it needs (including fare levels, vehicle types and amenities, routes and services). This is the same model operated by TfL for many years that prevented the decline in the bus market. The operators enter a competitive tender process to access tranches of routes and, if successful, contract to complete these services for a set fee. Franchising is only available for Mayoral Combined Authorities (MCAs) outside of London.

To augment this change in operations, the UK Government provided substantive funding.

In March 2021, the UK Government launched the National Bus Strategy for England, mandating local authorities to commit to either an EP or franchising through the creation of a Bus Service Improvement Plan (BSIP). Once a BSIP is created, the local authority is eligible to receive discretionary funding from the DfT. At launch, the National Bus Strategy made available £1.4bn of BSIP funding that included important changes to revenue support and the creation of 'turn-up-and-go' high-frequency networks in England. It was also designed to make ticketing simpler, with flat fares, daily 'capping' and high-quality passenger information.

Additionally, City Region Sustainable Transport Settlements (CRSTS) totalling £5.7bn were announced for Transport Executives in 2022, to enable major city areas to level-up their transport networks in line with the public transport provision available in London.

At the same time, operators were provided with Zero Emission Bus Regional Areas (ZEBRA) funding, an incentive-based programme, through Enhanced Partnerships and franchising run by local authorities. To access funding, services must have a plan for improvement, with the Government's goal to make buses and bus services so appealing that they become the de facto choice for mid-range and inner-urban journeys.

To date, nearly all local authorities have committed to EPs. So far only Greater Manchester has completed the migration (commencing in 2024 and completing as recently as January 2025) to a franchised network, however, most MCAs including Liverpool City Region, West Yorkshire, Cambridgeshire & Peterborough and West Midlands have signalled their intent to follow suit.

The new Labour Government has established its intent to carry on the work of the previous Government. In the King's speech 2024, the Government pledged to introduce the Better Buses Bill. This is designed to make it easier for local authorities to emulate the success of London and Greater Manchester – the latter has already seen passenger numbers increase by 5% year-on-year since franchising commenced.

The Bill also includes new powers to remove the ban on publicly owned bus companies and enhance powers to reform bus services and deliver on local transport priorities.

In the October 2024 budget, the new Government also committed to £925m of new funding into BSIPs. Actual allocations announced in November 2024 saw this figure reach £955m, and this in addition to the £151m the Government committed to extend the bus fare cap to the end of 2025, albeit raising the cap from £2 to £3. This funding takes local authorities into 2025/26, whilst the Better Buses Bill completes Parliamentary process.

Rail UK

Rail travel remains the most viable and often the fastest option for longer-distance journeys that do not rely on a personal use vehicle. It is also a more carbon-friendly option than travel by car and the Williams-Shapps Plan for Rail, published in May 2021, aims to highlight and deliver service improvements that support modal transition to the rail network.

The release of Network Rail's most recent funding Control Period (CP), CP7, in April 2024, also set the next tranche of funding for the UK's rail network.

The franchising model, already replaced with Emergency Recovery Measures Agreements (ERMA) due to the financial impact of COVID-19 on train operators' revenues, will change to a concession model using Passenger Service Contracts (PSC), led by the proposed Great British Railways (GBR) body.

GBR is set to replace Network Rail, and network nationalisation is expected to commence in 2025 and be completed in 2027.

The PSC establish demanding passenger satisfaction requirements, in which the passenger experience is one of five pillars that PSC holders must meet to receive performance incentives.

The William-Shapps Plan for Rail sets out a 'New Deal for Passengers' of which making the railway easier to use is a key deliverable. Number one on the Plan's list of ten key deliverables is a 'modern passenger experience' and the Plan sets out that clear, consistent passenger information is a must-have.

The quality of information at railway stations and on-board trains is specifically referenced in the Plan. GBR will be made up of powerful regional divisions, with budgets and delivery held at local level, not just nationally, to ensure that railway stations meet new standards for passenger information.

Existing passenger rolling stock is expected to be refurbished with upgraded passenger information systems. This is likely to be part of the DfT's 30-Year Strategy, which provides clear long-term plans for transforming the railways to strengthen collaboration, unlock efficiencies and incentivise innovation.

The DfT has commissioned a Whole Industry Strategic Plan that will become the first 30-Year Strategy.

The Plan for Rail also says that passenger safety and security, of which CCTV is a key component, is 'critical' and 'must continue'.

Non-domestic transport markets

As Journeo grows, our reach into non-domestic transport markets extends and our understanding of public policy within our operating regions deepens. Driven by the same global megatrends, it is not surprising that many of the overarching themes remain consistent.

For example, in Scandinavia and the Nordics, where Journeo A/S operates, Denmark is committed to achieving Carbon Net Zero by 2050 and Sweden, who have a more ambitious target of Carbon Net Zero by 2045, expect to have achieved a 70% reduction of emissions from domestic transport (excluding domestic flights) by 2030, when held in comparison with 2010 figures.

This in turn drives Government policy with initiatives to ensure that public transport is powered by renewable fuels and that public transport is made more accessible and attractive. There are signs that this is having a positive impact and in 2024, 42% of all journeys in Sweden were made by some form of sustainable transport, including walking, cycling and public transport.

Policy is once again underpinned by substantive Government backing. Denmark's Infrastructure Plan has €19bn funding for road, rail and green transport earmarked to 2035 and Norway's National Transport Plan, which is again focused on rail, road and carbon-neutral transport, has €120bn of planned spending between 2022 and 2033.

Markets CONTINUED

Through its operating companies, Journeo addresses two key market segments within the transport sector, On-vehicle systems and Infrastructure systems.

On-vehicle systems

The market

We supply safety and information systems to bus, rail, rail freight, light-rail and specialist vehicle operators, as well as integrated solutions to enclosed transport operations, at locations such as airports. Our solutions tend to be provisioned at a fleet-wide level with hardware installed on each vehicle.

UK bus is currently our largest market where the main drivers for revenue are the systems for new vehicles, the fleet-wide adoption of new technology to meet operational needs and ongoing services to the fleet.

The National Bus Strategy for England (2021) and ZEBRA funding signalled a move away from restricted funding to an incentive-based programme, through Enhanced Partnerships (EPs) and franchising run by local authorities. To access funding, services must have a plan for improvement, with the Government's ultimate goal to make buses and bus services so appealing that they become the de facto choice for mid-range, inner-urban and rural journeys.

As the effect of changing Government policies filters through, we are seeing more movement in the sector.

A similar shift is occurring in the passenger rail market and the publication of the Williams-Shapps Plan for Rail report sets out how the quasi-nationalisation of the railways that occurred during the pandemic, is paving a way out of the 'feast and famine' approach of franchise-era upgrades to a more stable, nationalised approach.

The Plan puts passenger experience and satisfaction at its heart, with demanding standards for the delivery of passenger information directly linked to rail operators' performance incentives.

The DfT is to publish a 30-Year Strategy for the railways, which is expected to include improved on-board passenger information systems to be fitted during refurbishment.

Our response

We strive to continuously improve the range and quality of our services to customers and invest in IT systems and our core capabilities which are applied across all our customer accounts.

The National Bus Strategy is beginning to drive the quality and consistency of bus services throughout England and is expected to be further enhanced by the Better Buses Bill. It will create demand for new technologies that drive operational efficiencies and improve the passenger experience, which will be key to achieving the Government's goals.

We have invested more than £6m into Research and Development over the last four years, placing us in a strong position to capture market share and growth.

For instance, our Remote Condition Monitoring (RCM) solution provides operators with a cost-effective route for ensuring the critical systems on their vehicles are working to meet regulatory and operational requirements. RCM also helps improve availability and reduces lifecycle costs through predictive maintenance and extends product life.

Further, our Agnostic Video Management System has proved valuable to customers looking to standardise and enhance data security in accordance with GDPR processes across large fleets with a mixed technology base.

We continue to broaden the range of safety solutions by introducing more complementary products. For example, the Journeo Camera Monitoring System (CMS – otherwise known as Digital Wing Mirrors) has had particular success in London, where the transport executive is striving to remove all deaths and serious injuries from TfL's road network by 2041. Early indications from activity in Greater Manchester demonstrate that other MCAs that franchise will follow suit.

Many customers are multinational fleet operators and our technology-based approach is opening new opportunities and routes to market.

Infrastructure systems

The market

We supply passenger information systems to local authorities, Passenger Transport Executives (PTEs), and transport network management bodies such as Network Rail.

Changes in Government policy have led to increased activity in the UK Passenger Information Systems market. The first tranche of Transforming Cities Funding was released to PTEs and local authorities in 2019.

Following the release of the National Bus Strategy for England, local authorities submitted their BSIP to the DfT and £1.4bn of funding was announced. A further £5.7bn was announced to support Transport Executives in major city regions to level-up their public transport provision.

This has been supplemented by a further £1bn of funding announced by the new Labour Government to support BSIP projects.

Enhanced Partnerships deliver better influence over bus service provision in local authority regions and stimulate investment in bus prioritisation and service improvement measures. Franchised networks will provide greater opportunities, too, with even greater controls over the quality of operator service provision in the power of MCAs.

Passenger information systems deployed for rail applications must meet a higher grade of regulatory acceptance in order to be deployed, both on-vehicle and on train station concourses and platforms.

The Williams-Shapps Plan for Rail sets out a 'New Deal for Passengers'. Number one on the Plan's list of ten key deliverables is a 'modern passenger experience' and the Plan sets out that clear, consistent passenger information is core to that deliverable.

Our response

Our strategy of combining engineering services, partnerships with complementary industry specialists and our latest generation of industry-specific solutions has produced a powerful competitive advantage for large and complex infrastructure projects.

We are continuing to invest in the development of our passenger information content management software, now integrated into the Journeo Portal, to meet the emerging needs of our customers as their requirements grow with their new powers and responsibilities.

We are also developing new solutions in response to the needs of local authorities and PTEs as we seek to extend our role in the transport sector of the wider Smarter City; for example integration of CCTV systems into public transport infrastructure to protect vulnerable passengers.

We have emerging business opportunities in cycling and walking, low-power solutions and emissions measurement; all of which will support local authorities as they work to achieve the UK Government's goal of making public transport the de facto choice of mobility in an effort to meet their Carbon Net Zero targets.

We acquired Infotec Ltd, the market-leading provider for passenger information systems in the rail market, in January 2023. This is providing further opportunity for core Journeo technology and delivers enhanced manufacturing techniques to the displays we deploy in the bus market.

Additionally, Infotec has an international reach with flagship contracts in the USA that will provide an avenue for the international expansion of Journeo solutions.

Business model

Our core capabilities have developed through practical experience in creating market-leading solutions for the unique requirements of the transport community.

Key resources

Engineering excellence
Our people and culture are aligned to the needs of our customers. The importance of our solutions in the day-to-day operations of our customers informs our actions. Our customers demand engineering excellence, and this is at the heart of our expertise.

Technology leadership
We support our customers' legacy systems, today's new purchases and tomorrow's strategic direction. We have a 360° view of the technology relevant to our customers and the capability to develop products and software that meet the transport community's unique requirements.

Affinity with customers
Like our customers, we have a long-term commitment to the transport sector. We are specialists and understand the importance of creating leading-edge, durable and cost-effective solutions over the long term.

Third-party relationships
We are key members of the transport ecosystem and work inclusively and collaboratively with industry complementors to deliver the solutions our customers require.

Activities

Engineering services
A full spectrum of services from design to installation, management and field support services.

Technology provider
We combine a deep understanding of customer needs with our Research and Development capabilities to create innovative, new, open-platform products and software solutions that increase performance and decrease costs for our customers.

Support services
We provide vital services to our customers, delivering best practices and processes to enable them to deliver efficient and consistent results for their customers.

Competitive advantage

Open technology
We leverage industry standards, enabled by our own IP, to ensure we can support legacy solutions directly alongside the latest technology solutions.

Bespoke solutions from core technology
The flexibility of our technology enables Journeo to deploy the same core technology across both on- and off-board technology solutions, adapted to its use case.

Long product lifecycle
The longevity of Journeo solutions enables us to maintain customer relationships for longer and create a barrier to entry for new entrants.

Installation and servicing
Our expertise enables us to support our customers for the full lifecycle of the solutions we install, further embedding Journeo into our customers' operations.

Diversified income streams

Solutions sales
into vehicle fleets and passenger transport infrastructure.

Integrated sales
creating new converged solutions from previously disparate or closed technologies and applications.

Know-how and IP sales
enhancing legacy systems by driving additional value from the systems our customers have already invested in.

Design, installation, services and support
assuring high performance and reliability across the total lifecycle for our customers.

Managed solutions
providing our customers with total peace of mind.

Value created for stakeholders

Customer end user

We seek to become a trusted partner and are proud of the long-term relationships we forge, with new and existing customers. Our solutions are designed to continuously deliver value, in the short, medium and long term.

>31,000

assets connected to our cloud platforms (2023: 22,000)

Key suppliers and complementors

Our market presence and engineering capabilities provide an attractive route to market to global product businesses and our supply chain. As innovators, we work closely with industry influencers.

828

partners in our global supply chain (2023: 720)

Our people

We aim to attract and retain great people by providing interesting and rewarding roles that allow and encourage opportunities for personal development.

197

people
(2023: 194)

Shareholders

By developing our own intellectual property and technologies, we have reduced our reliance on third-party suppliers and are now accessing opportunities that were previously inaccessible to us. As we apply these to more complex projects and a wider range of markets, we expect to generate increasing value for our shareholders.

26.29p

Diluted earnings per share (2023: 17.96p)

Passengers

The systems we create improve the provision of information, increase the efficiency of services, seek to minimise environmental impact and safeguard members of the public whilst they use public transport.

>1 million

passenger journeys rely on Journeo, every day

Strategy and objectives

Connected systems for connected journeys.

Our overall strategy is developed through initiatives grouped into four strategic goals focused on our customers, our capabilities and our stakeholders:

Customer bonding

We aim for deep customer bonding through the critical technology solutions we provide to the transport community which capture, process and display essential information to improve journeys. We carefully select niche markets where we can generate significant market share.

2024 Objective

Build upon our initial customer satisfaction survey and create a framework for measuring improvement in our performance.

Review processes to ensure customer success for the entire lifecycle of customer projects.

Progress

In 2024 the Group completed its second customer satisfaction survey, to enable comparison against our baseline data.

We seek to enhance satisfaction levels further and deliver continuous improvement using the data we are collecting.

Future objectives

Build upon our initial customer satisfaction scores.

Implement new Group-wide Customer Relationship Management (CRM) platform.

Engineering excellence

We support our customers' legacy systems, today's new purchases and tomorrow's strategic direction.

We invest in the skills and capabilities of our people to deliver engineering excellence and technical leadership across the lifecycle of solutions.

2024 Objective

Establish a centre of excellence for solution design to work at a Group level across all our companies, accelerating consolidation and strengthening consistency.

Progress

We established the Journeo Design Centre (JDC) to deliver new solutions built on the Group's Research and Development. The working group meets regularly and we expect to see the first solutions pioneered by the JDC enter the market in H2 2025.

Future objectives

Further empower our nationwide engineering teams through the deployment of more powerful cloud-based tools to support the delivery of an improved customer service experience.

Continue unification of manufacturing processes to deliver a consolidated approach across the Group that will achieve the required accreditation for worldwide sales.

Technology leadership

We are an open technology provider and partner with many leading global-scale product companies and local industry specialists to deliver our solutions.

We have a 360° view of the technology relevant to our customers and the capability to develop products and software that meet the transport community's unique requirements, as well as the engineering services to deliver and support the solutions.

2024 Objective

Improve our alarming and alerting platforms through enhanced machine learning techniques.

Progress

Work is advanced, with many of the underlying components now complete and ready for integration into the Journeo Portal. Complex integration with other business systems has slowed progress, but customers will begin to see the benefits of the work in H2 2025.

Future objectives

Initiate customer trials of new, next generation products developed by the JDC.

Consolidate software development under a new Group Head of Software.

Business growth

We are strategically positioned for growth, as solutions in the transport community converge, with significant presence in passenger transport infrastructure and fleet operators' safety and management systems. Journeo's software and services are driving an increasing number of our new business opportunities.

We continue to evaluate acquisitions where they provide a route to market for our core capabilities.

2024 Objective

Continue process of rationalising procurement and manufacturing to reduce lead times and deliver lower cost solutions to our customers.

Continue to target further complementary acquisitions.

Progress

We have consolidated purchasing under a new Group Head of Purchasing and initiated an internal programme to enhance quality and consistency in our solutions further.

We are focused on securing the right bolt-on acquisitions for the right price. We maintain a list of potential target acquisitions and continue to pursue companies that provide attractive routes to market for core Journeo IP.

Future objectives

Continue organic growth trajectory among our current operating companies and target complementary acquisitions to enter new markets as we scale the Group.

Chief Financial Officer's report

"The Group has delivered improved margins across all operating companies and is cash generative, putting us in a strong position to fund further growth."

Nick Lowe
Chief Financial Officer

Group performance

Group results for the year ended 31 December 2024 show underlying profit increased by 13% to £4.8m (2023: £4.3m).

Overall sales increased by 8% to £49.6m (2023: £46.1m) and gross profit increased by 24% to £17.7m (2023: £14.3m). The gross profit growth was driven by a combination of the sales uplift and a significant increase in gross profit margins.

Gross margin increased by 5% to 36% (2023: 31%), as the increase in Group purchasing power, easing of supply chain restraints and a changing revenue mix came together to reduce cost of sales.

Group recurring revenue increased by 40% to £7.0m (2023: £5.0m).

Underlying administrative expenses increased to £12.9m (2023: £10.1m), reflecting the full year impact of the acquired businesses, inflationary cost pressure, and investment into multiple teams including Research and Development and sales.

Profit before tax was up by 33% to £5.0m (2023: £3.7m).

Diluted earnings per share (EPS) grew strongly to 26.29p (2023: 17.96p), reflecting the strong Group profit performance and a low tax charge.

Cash and cash equivalents at the year end were £14.3m (2023: £8.1m), with a net cash flow from operations of £7.6m.

Operating company performance

Fleet sales increased by 45% to £23.7m (2023: £16.3m) as bus operators increased their spend on new vehicles, supported by government stimuli. In addition, a number of new customers, such as Metroline Manchester, announced in July 2024 and other industry initiatives, including the mandating of digital wing mirror Camera Monitor Systems by TfL, first announced in March 2024, contributed to the growth.

Gross profit increased to £6.7m (2023: £3.9m) with margins increasing by 4% to 28% (2023: 24%). This was due to two key factors, with prior year installations contributing to recurring revenue and the Group margin gains mentioned above.

Passenger sales increased by 5% to £9.5m (2023: £9.0m). Margins improved by 3% to 47% (2023: 44%), generating a gross profit of £4.4m (2023: £4.0m), primarily due to improved Group purchasing, including forward purchasing, and the easing of the global supply chain.

As expected, Infotec revenue decreased to £12.4m (2023: £19.7m) with the last deliveries on the first phase of the MTA contract during the year. Gross margins improved strongly to 37% (2023: 30%), contributing to a gross profit of £4.6m (2023: £5.9m).

Journeo A/S (formerly MultiQ) revenue increased to £4.0m (2023: £1.1m) with it being part of the Group for the full year. Margins remained strong at 48% (2023: 48%), delivering a gross profit of £2.0m (2023: £0.6m).

Key performance indicators	2024 £'000	2023 £'000	Movement £'000	%
Revenue	**49,558**	46,092	3,466	8%
Gross profit	**17,680**	14,310	3,370	24%
Total administrative expenses	**12,915**	10,337	2,578	25%
Underlying profit	**4,825**	4,284	541	13%
Operating profit	**4,765**	3,973	792	20%
Recurring revenue	**7,021**	5,006	2,015	40%
Profit before taxation	**4,953**	3,733	1,220	33%
Net current assets	**16,519**	10,407	6,112	59%
Net cash flows from operating activities	**7,591**	1,644	5,947	362%
Cash and cash equivalents	**14,318**	8,116	6,202	76%
	Pence	Pence	Pence	%
Profit per share - basic	**27.44**	18.64	8.80	47%
Profit per share - diluted	**26.29**	17.96	8.33	46%

Chief Technical Officer's report

"The Journeo Portal is now a true data exchange, both ingesting and processing third party data and, at the same time, supplying trusted third-parties with data and results through secure APIs."

Dr Andy Houghton
Chief Technical Officer

Technological development, and ongoing expansion of our capabilities, has always been a key business strategy driver. While this will always remain the case, 2024 marked a necessary shift towards further enabling scalability.

The enviable success of the Journeo Portal has brought with it the inevitable challenges of rapid growth, but with perfect timing. The coming of age of both Machine Learning (ML) and practical Artificial Intelligence (AI) solutions, alongside cloud support for these technologies, made 2024 the ideal moment to accelerate our adoption of these tools. To continue to scale, and possibly at an increased pace, requires absolute commitment to a first-time-fit, and first-time-fix ethos, as well as an accurate understanding of the health of all our underlying components.

We are well underway in building the necessary support infrastructure tools to enable this. Made more complex by the need to integrate with other business systems, the Journeo Portal, with its knowledge of all customer assets, is fast becoming the centre of truth for all our internal systems, in addition to those of our customers.

The constant addition of new third-party devices and services into our agnostic solutions has driven a significant push towards a full end-to-end agnostic experience. No IT department wants to install any software that is not absolutely necessary and this is a particular challenge of today's paradigm where every product used in a solution needs its own management or player software. With the brilliant support of many of our partners we were able to proof-of-concept a truly agnostic environment which, over the course of 2025, will become an embedded web solution within the Journeo Portal, thus having no need of installation, and be independent of hardware platform.

The Journeo Portal is now a true data exchange, both ingesting and processing third-party data and, at the same time, supplying trusted third parties with data and results through secure APIs. By the end of 2025 we aim to be providing bus departure information for just about any location within the UK, regardless of the presence of on-street infrastructure. Adoption of the new RTIG (Real Time Information Group) open standard for communicating with on-street public facing signage is now complete, already with significant deployments across the UK. This is of huge benefit to local authorities in facilitating their procurement operations and places us well for the next evolution of public information services.

With all things considered, 2025 promises to be an exciting year for Journeo and its solution development.

Stakeholder engagement

Journeo's success is built upon a deep understanding of our stakeholders and how the Company culture underpins our interactions with them.

The disclosures in this section are aligned with the factors set out in The Companies Act 2006, Section 172 and describe how the Directors have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of shareholders as a whole.

When performing their duties under Section 172, the Directors consider:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Board has identified key stakeholder groups to be its customers, investors and shareholders, employees, supply chain and the communities in which we work.

Our customers

Building close relationships with our customers, underpinned by a deep understanding of their requirements, is core to the ongoing success of the business. The Group works hard to understand our customers' requirements for legacy, current and future systems, ensuring that we remain their technology partner of choice.

What is important to this group

- Deep understanding of their requirements and operational demands.
- Robust, reliable and sustainable technology solutions.
- Maintaining an exceptional customer experience.
- Delivering on project commitments, both on time and on quality.

How we interact

We interact through:

- Regular customer engagement, fostering a relationship of trust.
- Regular customer surveys and seeking direct feedback.
- Exhibitions, roadshows and industry events.
- Development of our solutions to deliver ongoing and iterative improvement.

Decisions taken in FY24 that impacted our stakeholders

- Recruited a new Group Sales Director to ensure a consistent approach to customers across all areas of the Group.
- 12 exhibitions and roadshows completed, with additional industry events attended.
- Further progress of our ESG strategy and commenced development of a Carbon Reduction Plan.
- Development of new and existing customer relationships.
- Formation of the Journeo Design Centre (JDC).

Our investors and shareholders

The Board maintains strong relationships with our shareholders and works to promote an investor base that will achieve long-term value from their holding in the Company. The Board ensures that all decisions are aligned to delivering increasing value and is committed to achieving substantive growth in the medium term.

What is important to this group

- The Board's ambition and growth strategy.
- Financial performance.
- The Group's ESG practices.
- The Group's underlying values and wider Company culture.

How we interact

We engage with our shareholders through a range of mediums:

- Annual and interim (half year) reports.
- Regulatory stock exchange announcements.
- Investor-meet-company presentations.
- Company website.
- Regular meetings with our corporate brokers, analysts and major shareholders.
- Investor site visits.

Decisions taken in FY24 that impacted our stakeholders

- Development of our Senior Leadership Team.
- Communication of financial results and performance.
- Investor-meets-company webinars conducted for the Annual and Interim results.
- Investor days at our Head Office and Infotec factory.

Our people

We are proud of the team that has been built at Journeo, and they are the cornerstone of our current, and future success. We strive to attract and retain the talent that we need to build the long-term prosperity of the Group. We work closely with our team members to ensure that their safety, wellbeing and professional development are underpinned by all that we do; and to ensure that Journeo remains an exciting, vibrant and engaging place to work.

What is important to this group

- Continuing professional development.
- Safety and wellbeing.
- Diversity and inclusion.
- Recognition and remuneration.
- ESG practices.

How we interact

We interact with our people in several ways:

- Team member training and policies.
- Regular annual reviews and interim informal meeting and feedback sessions.
- 'Open door' policy with Senior Leadership.
- Employee induction and exit interviews.

Decisions taken in FY24 that impacted our stakeholders

- Recruitment of Group Sales Director and Group Head of Software.
- Continuing Professional Development courses for a number of team members.
- Implementation of new Group-wide HR system.
- Implementation of Employee support programme.
- 1-2-1 coaching sessions for management teams and team leaders.
- Numerous internal promotions and role changes to reflect the changing needs of the business and development of our people.

Our supply chain

The Group has an extensive supply chain, ranging from global-scale manufacturers to niche component specialists that is essential to meeting the ever-evolving needs of our customers and their technical requirements.

What is important to this group

- Fair commercial terms and payment schedules in line with industry standards.
- Market demand insights including expectation management.
- ESG practices.
- Feedback on quality and reliability.

How we interact

The long-term supply chain partnerships we foster are underpinned by:

- New supplier engagement as part of our ISO 9001 Quality Management System.
- Continuing due diligence with regular supplier reviews.
- Continuous and open dialogue between Journeo and key suppliers.

Decisions taken in FY24 that impacted our stakeholders

- Centralisation of Group procurement strategy under a new Group Head of Purchasing.
- Development of our ESG practices and review of our procurement practices.
- Developing relationships with new and existing supply partners.

The communities in which we work

Journeo is fortunate to work delivering solutions that have a positive impact on the communities in which we operate. Both in locations where we have offices, and for where our solutions are deployed. It is important that we maintain our behaviour as a responsible member of the corporate community.

What is important to this group

- ESG practices.
- Social value contributions for works completed.
- Job and opportunity creation.
- Investment in partnership development.

How we interact

We strive to ensure that Journeo has a positive impact in every community that it touches:

- Social Value contributions on public contracts, including supporting school clubs, STEM initiatives and foodbank contributions.
- Participation in local community and sponsorship events.
- Investment in low-power and low-carbon technologies.

Decisions taken in FY24 that impacted our stakeholders

- Involvement within our local community including entering a 5-a-side tournament for local businesses.
- Engagement at careers fairs at local universities.
- Summer internships for two PhD students.
- Contributions to before and after-school clubs for our customer communities.
- Continued investment in our low-power and low-carbon technologies.
- Attended career day for ex-military personnel looking for engineering-based roles.
- Further development of our ESG strategy and creation of our Carbon Reduction Plan.

ESG report

Journeo remains committed to developing its Environmental, Social and Governance (ESG) reporting standards.

In previous Annual Reports, we have described the methodology we have undertaken to create a framework that will establish Journeo as a sustainable business that maintains its position as a responsible member of the corporate community, based upon feedback from our stakeholders.

Within this framework, we established topics on which we wanted to lead within our industry, those that we had marked for management, and those that we would monitor. This report highlights the further progress that we have made throughout the course of 2024 as we strive to take up leading positions on the items that are most important to Journeo and its stakeholders.

The work completed throughout 2024 has resulted in tangible benefits for our customers, our people, shareholders and other industry groups.

The topics selected to place at the forefront of our ESG strategy are:

Lead

- Innovation and product responsibility
- Energy use and carbon emissions/ low-carbon products
- Health, safety and wellbeing

Manage

- Customer satisfaction
- Operational data privacy and security
- Attracting and retaining talent
- Diversity, inclusion and equality
- Responsible supply chain

Monitor

- Corporate governance
- Social impact investment
- Waste and recycling
- Economic contribution
- Ethical conduct
- Risk management

Lead topics

At a glance

Innovation and product responsibility	Energy use and carbon emissions/low carbon products	Health, safety and wellbeing
Creation of the Journeo Design Centre (JDC), with a focus on carbon usage and energy consumption	Completed a baseline Greenhouse Gas (GHG) emissions assessment for 2024	Launch of occupational health service, supporting new joiners
Developing our Cloud platforms to focus on single, centralised locations	Producing a Carbon Reduction Plan (CRP) in accordance with PPN 06/21	Group-wide launch of an employee assistance programme offering around the clock support to all colleagues
Integration of artificial Intelligence (AI) and Machine Learning (ML) in our solutions, supporting cutting-edge research	Formation of a Sustainability Committee to be completed in H1 2025	Implementation of a new HR system in 2024 that will collate baseline data

Innovation and product responsibility

As a growing and leading supplier of intelligent systems to the transport market, it is imperative we continually engage with new technologies and new methodologies. For many years, we have highlighted the important role that our Research and Development (R&D) teams have in the Business. We continue to invest in R&D with over £6m spent over the past four years to support the creation and advancement of scalable and sustainable solutions.

In January of 2024, we extended this capability through the creation of the Journeo Design Centre (JDC). The JDC is formed of members from across our operating companies, and includes technical and industry specialists. The goal of the JDC is simple; to take what the Group has learned through its R&D and how it has been applied to customer projects, and create world-class products that can be deployed in transport systems and throughout transport networks across the globe.

The process of developing these new products is meticulous and requires strict attention to detail to ensure that they will meet the certification and accreditation requirements in our target markets. Customer trials of our initial suite of new products are due to commence in H2 2025.

The JDC has not, however, been the only area of focus for our products. Carbon usage and energy consumption is becoming ever more important to us and our customers. Many of our installations, especially those completed by our Passenger Systems and Infotec businesses, rely on unmetered energy supplies to source their power.

To assist our customers in being able to accurately monitor the power consumption of their information estates, we have extended an existing programme to have all Journeo products that could be connected via an unmetered supply re-assessed for total energy usage, to provide customers with updated unmetered supplies operational charge codes. We are prioritising new products and those items that have recently undergone significant re-design to include low-energy components.

We have also continued to develop our cloud platforms. The Journeo Portal now extends beyond connection to on-vehicle systems to enable local authority customers to manage their passenger information estates from a single, centralised location. As more Mayoral Combined Authorities (MCAs) franchise, taking greater responsibility for the vehicle fleets in their region, the power to be able to manage all transport assets from a single cloud portal will be a defining feature of our solution. In addition we have also commenced integration works with third-party system manufacturers to present data and other information to users that has come from multiple systems.

The further integration of Artificial Intelligence (AI) and Machine Learning (ML) in our solutions is also a key driver. In 2024 we supported two PhD students with summer internships, challenging them with looking at ways that we can support greater integration of these technologies into our solutions. Practical challenges were set and the outcome of the work is currently being integrated into our asset management and health alerting platforms within the Journeo Portal.

Energy use and carbon emissions/ low-carbon products

The challenges that are presented by climate change should not be underestimated. The UK Government has set a clear target of achieving a Carbon Net Zero economy by 2050 and the work required to achieve this, whilst still maintaining an active and productive economy, is substantial.

An important step for Journeo on the path to Carbon Net Zero is to measure emissions and we are pleased to confirm that Journeo has completed a baseline Greenhouse Gas (GHG) emissions assessment for 2024, the first full year of trading to include the acquisitions of Infotec and Journeo A/S (formerly MultiQ). Emissions for the Group are calculated using methodologies consistent with the GHG Protocol: A Corporate Accounting and Reporting Standard.

As a company quoted on AIM and subject to the reporting requirements for large companies under the Companies Act 2006, the Group is required to report under the Streamlined Energy and Carbon Reporting (SECR) regulations. The table below presents our Scope 1 and Scope 2 emissions and intensity metric.

The methodology used is the GHG Protocol with a hybrid approach with 33% activity-based and 67% spend-based.

In addition, we are in the final stages of producing a Carbon Reduction Plan (CRP) in accordance with PPN 06/21 which requires the baseline to include Scope 3 emissions. This has highlighted the complexities of record keeping and determining emission factors for Scope 3 to support a comprehensive GHG inventory for our baseline.

The major targets that will be present in our CRP are:

- Carbon Net Zero by 2050.
- Achieve a 30% reduction in operational emissions (Scope 1 and 2) against our 2024 baseline by 2030.
- Achieve a 30% reduction on Scope 3 emissions (excluding emissions in scope 3.1) against our 2024 baseline by 2035.

The Group is creating a carbon task force, composed of members present within our teams that know and understand our business. The team members will be targeted with setting ambitious targets to reduce our carbon footprint through changes in policies, processes and practices that can be embedded throughout the business to become an integrated part of the day-to-day work carried out by all of our people.

	2024 - Baseline	
Emissions (tCO_2e)	UK and offshore	Global (excluding UK and offshore)
Scope 1		
Emissions from combustion of gas	16	2
Emissions from combustion of fuel for transport purposes	143	14
	159	16
Scope 2		
Emissions from purchased electricity	59	2
Total Scope 1 & 2	218	18
Intensity ratio (tCO_2e per £m of sales)	4.4	0.4
Energy consumption used to calculate emissions (MWh)		
Scope 1 - combustion of gas	86	14
Scope 2 - purchased electricity	305	18

The Board will provide overall governance to the task force through the assembly of a Sustainability Committee in H1 2025, thus ensuring that not only is sustainability and the goal of achieving Carbon Net Zero understood at all levels within the Group; all internal stakeholders will have a shared responsibility for ensuring that we meet it.

To achieve a 30% reduction against our 2024 Scope 1 and 2 emissions baseline by 2030, our teams will initially focus on the areas where we have greater control. This will include reviewing our energy provisions, emissions associated with our buildings and targeting the reformation of our company fleet of vehicles.

Many of these practices have, in fact, already begun, but will now be reinforced through changes to policies and procedures that form part of our ISO-accredited business management systems. For example, a number of team members on our company car scheme have already migrated to plug-in hybrid or full electric vehicles. This is a productive start, but we recognise that we can, and will, do more.

The reduction of our emissions that fall under Scope 3, especially those that involve purchased goods and services, will no doubt pose a more significant challenge, and be part of a longer-term goal for our teams and Sustainability Committee. We must engage with our supply chain not only to achieve a more accurate understanding of this scope of emissions, but to constructively work with them to support their own carbon reduction journeys. The target of 2050 may seem far away, but it is only through dedicated action, taken now, that we will achieve our aim of taking up a leading position for carbon reduction and low-carbon technology, within our chosen markets.

ESG report CONTINUED

Health, safety and wellbeing

Since joining the Group in 2023, HR Manager, Bex Hodds has implemented an uncompromising agenda to improve the performance of Journeo in this area. Across 2024, Bex has been focusing on developing a culture of care and support, whilst maintaining regulatory compliance. Several initiatives have been launched and are progressing well.

Early in the year, we engaged the expertise of an occupational health service, primarily targeted to support new joiners. The service conducts new starter health assessments, advising the Company as to whether new colleagues require additional tools or support to successfully fulfil their role. We also use this service to gain valuable insight into longstanding health concerns, enabling the Company to ensure colleagues continue to feel supported and the business continues to offer solutions and adjustments that are reasonable.

This was swiftly followed by the Group-wide launch of an employee assistance programme. Designed to act as a mechanism for gaining support on all manner of personal or professional concerns, the service offers signposting to useful charities, contacts and tools to manage situations.

Colleagues experiencing challenges that result in mental and physical health concerns, have 24/7/365 access to a contact centre that can triage requests and direct requests to the appropriate professional service. The confidential employee assistance service enables colleagues struggling with mental health concerns such as anxiety, depression and post-traumatic stress, the opportunity to receive up to eight face-to-face counselling sessions per year, per issue. The service also extends to provide support for those colleagues experiencing menopausal symptoms.

Colleagues can access the service through a mobile app, making it discreet, inclusive and easy to use. It also provides additional tools for eating healthily, increasing movement and mindfulness. Whilst the service remains confidential, the Company has access to anonymised high-level information on service usage and issue categorisation, enabling us to monitor, manage and implement initiatives to support our people and the challenges that they are facing in real time.

In our wider community, several other activities have taken place. We have worked with local universities and other organisations, attending careers events, especially those with a particular focus on Science, Technology, Engineering and Mathematics (STEM), to help encourage the next generation of individuals that will design, develop and implement the solutions that will further enhance public transport and related infrastructure. Further, Journeo engaged two summer interns, both young female PhD students from the University of Warwick and both non-UK nationals. Working on a specific project, their work is supporting our new alarming and alerting platforms that are currently being implemented by our technical and development teams.

In Q4 2024, the Group also implemented a new HR system that will underpin our work going forward. Whilst work on this is formative, colleagues are engaging with the system and it is being used to collate baseline data for our future development. Throughout the course of 2025, Bex will be using this baseline data to create a reporting framework within Health Safety and Wellbeing to form the basis of future reports.

Principal risks and management

It is the responsibility of the Board to ensure that there is a well-defined and effective framework in place to measure and respond to risks that are material to the Group.

The Board uses the Risk Management Framework of the business to identify and mitigate risks and is supported by the Audit Committee and the Senior Leadership Team. The Audit Committee is chaired by Barnaby Kent.

The Audit Committee has responsibility for reviewing the Risk Management Framework, its effectiveness, and the internal controls that manage it, to ensure that the Group complies with all laws and regulations within its active markets.

The Audit Committee has established auditor independence processes, that enable the Committee to oversee the relationship with external auditors and the fees payable for the services provided. The Committee is provided with a detailed audit plan of the financial year end that highlights the key risks identified.

The Committee reviews the scope of the audit and ensures that the proposed fees are reasonable and represent good value for the services provided.

As part of the Governance structure operated by the Board, a robust set of processes and systems of control have been developed for the identification and management of risk, based upon the likelihood of the risk, and the severity of the impact.

The Board's role in Risk Management includes:

- Setting acceptable levels and appetite for risk;
- Embedding risk management at the core of business processes;
- Ensuring our values, especially that of integrity, are core elements of Group culture
- Determining the principal risks:
  - Ensuring these are effectively communicated to the business; and,
- Setting policies for risk management and control

Principal or emerging risks that may impact the Group are identified by the Senior Leadership Team and are reviewed by the Board.

When assessing risk, the Group focuses on five categories. Some risks may span multiple categories. Where this is the case, the primary risk category is highlighted. The categories are:

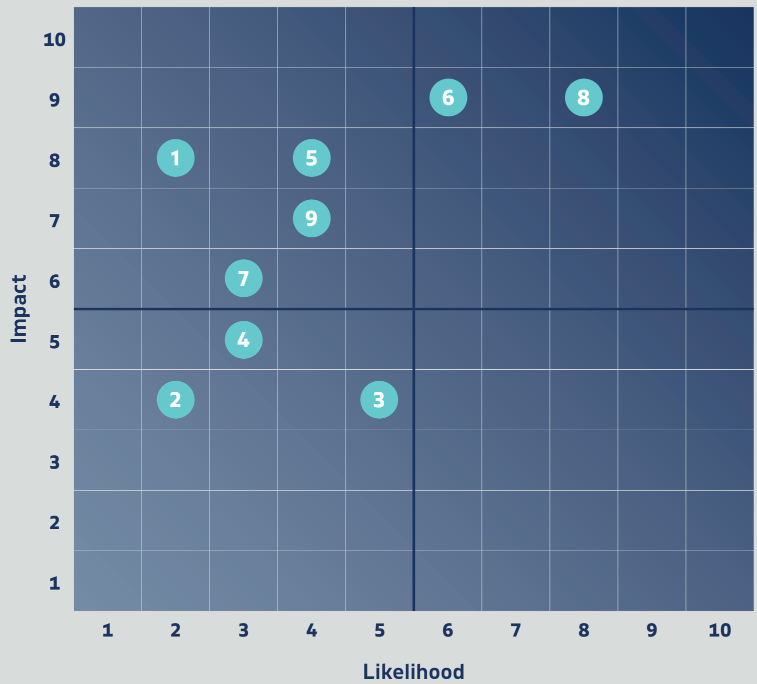
- Commercial risk;
- Strategic risk;
- Operational risk;
- Technical risk; and,
- Financial risk

The assessment of principal risks is an ongoing process, which is under constant review. The scoring of a risk is based upon the pre-mitigation impact assessment and year-on-year changes are reflected in the change in likelihood of the risk having a significant impact.

The principal risks and mitigations presented have been updated from those presented in the Annual Report for the year ended 31 December 2023.

Risk matrix chart

1. Changes in Government policy
2. Supply chain management
3. Major project delivery
4. Dependence on key suppliers
5. Competition
6. Technology
7. Key staff retention
8. Cyber security
9. Forecasting and liquidity



Principal risks and management CONTINUED

Risk or uncertainty and potential impact	Primary category	Management activities and mitigations	Trend
1 Changes in Government policy			
Whilst successive Governments have pursued an agenda of decarbonisation and promotion of public transport, we must remain mindful of potential impacts on the transport market, such as: • Changes to decision making processes restricting what customers can buy. • Changes to funding streams impacting project viability.	Strategic	Through our Passenger segment, Journeo works very closely with local authorities and has been engaging with customers on their Enhanced Partnership and Franchising plans. The Board continues to monitor changes in Government policy closely and sets strategy based upon emerging changes, such as the announcement of the Better Buses Bill and commencement of CP7. Product development remains closely tied to the emerging needs of our customers, to ensure that solutions fit customer requirements based on price and technical specification.	No change (High)
2 Supply chain management			
The Group has an international supply chain and a growing overseas customer base. Access to, and delivery of, equipment, people and materials could be negatively impacted by global events.	Operational	The Group has centralised supply chain management into a new Group function, to oversee the quality and management of our supply chain. A process of supply chain rationalisation has been undertaken, reviewing all suppliers.	Decreased likelihood (Medium)
3 Major project delivery			
Failure to deliver a major project on time or to specification, or technical performance falling significantly short of customer expectations, would have potentially significant adverse financial and reputational consequences.	Operational	Risk assessments are conducted for all projects and the major ones are subject to Board approval. Major projects are reviewed throughout the project lifecycle. Any material exceptions are escalated to the Senior Leadership Team and Board.	No change (Medium)
4 Dependence on key suppliers			
Wherever possible, the Group retains a choice of suppliers in the supply chain. In instances where we are reliant on the performance of one supplier for a product or a subsystem, our risk is increased.	Operational	We manage this risk by rigorously evaluating key suppliers' financial and technical performance. We also monitor their general performance closely and apply the mitigation covered above for major projects. There is an increased level of Journeo IP in our solutions giving us greater flexibility with solution components.	Decreased likelihood (Medium)
5 Competition			
The Group may face increased competition as technology on and off vehicles moves away from point solutions to broader integrated solutions. This changing technology landscape creates openings for new product and service entrants that may possess better technical and capital resources than the Group.	Commercial	The Group continually increases its technical capability. The formation of the JDC will further increase the level of Journeo IP in each sale. The Group's organic and acquisitive growth is providing us with increased resource but we remain mindful that the advent of Artificial Intelligence (AI) and rapid iteration of software systems remains an ever-growing threat.	No change (High)

Risk change:

- Increased likelihood
- Decreased likelihood
- No change

Risk impact:

- High
- Medium
- Low

Risk or uncertainty and potential impact	Primary category	Management activities and mitigations	Trend
6 Technology			
As transport systems become more intelligent and converged, there is a risk that solutions or products can be overtaken by new approaches. The speed of innovation may increase with the use of new tools, such as AI and ML.	Technical	We are a customer-led business that has made significant investments in Research and Development resources in carefully selected niche markets in which we are recognised experts with substantial field engineering experience. Journeo implements AI and Machine Learning (ML) tools within its own solutions, but is mindful that the advent of these tools may in future reduce the barrier to entry for others. The Board regularly reviews progress on product development.	Increased likelihood (High)
7 Key staff retention			
Journeo designs, manufactures, supplies and supports highly complex systems. Businesses processes are constantly adhered to as part of our ISO 9001 Quality Management System. However, recruiting some skill sets can prove challenging in the event of staff turnover.	Operational	Journeo is fortunate to have a low staff turnover. However, we recognise more can be done, and throughout 2024, Journeo implemented a new HR system and employee assistance programme. The Board prefers to develop internal talent wherever possible and generate more 'strength in depth' with strategic recruitments into key areas where necessary. This recruitment programme commenced in 2024 and will continue into 2025.	No change (Medium)
8 Cyber security			
The threat to cloud-based solutions is an ever-evolving landscape. This is coupled with a growing potential attack surface as Journeo integrates more solutions into the cloud and develops new solutions. The potential of a successful attack could have significant commercial and reputational impact.	Technical	Journeo applies stringent measures to ensure the safety of our systems, including processes within our ISO 27001 accredited Information Security Management System, and practical reviews of our solutions including regular penetration testing and vulnerability scanning. The highly critical nature of our solutions and critical locations of our implementations, however, makes Journeo a target and we strive to remain ever-vigilant.	Increased likelihood (High)
9 Forecasting and liquidity			
Should the business not maintain sufficient funds to continue its growth plans, stakeholder value could be impacted.	Financial	Journeo prepares financial forecasting to evaluate the level of funding required. We are a profitable and cash generative business that is focused on meeting our growth targets. We are strategic with our acquisition targets and invest to return enhanced value to the Group.	No change (High)

Risk change:

- Increased likelihood
- Decreased likelihood
- No change

Risk impact:

- High
- Medium
- Low

Governance

IN THIS SECTION

Board of Directors

Mark Elliott

Non-executive Chairman

Mark Elliott joined the Company in December 2010 as a Non-Executive Director before taking on the role of Executive Chairman in August 2013 after a period in the role of Interim Finance Director from January 2013. In August 2014 Mark was appointed Non-Executive Chairman. Mark is a Chartered Accountant who was an Equity Partner with Baker Tilly (now RSM UK) specialising in audit and corporate finance. More recently he has advised and been on the board of two companies listed on AIM. He is also Non-Executive Chairman of AIM listed Malvern International plc.

A N R

James Cumming

Non-executive Director and Senior Independent Director

James Cumming joined the Board as a Non-Executive Director in August 2013. Following a long career in corporate advisory and broking in the City, including acting as Chief Executive Officer of N+1 Brewin LLP, and latterly as a Senior Adviser to Cantor Fitzgerald, James has significant experience in working with small and mid-sized UK companies. James was previously a Non-Executive Director of CareTech Holdings PLC and chaired the Independent Committee in the group's £1.2bn MBO. He was an associate of Ruffena Capital and has qualified as a fellow of the Chartered Institute of Securities & Investment.

A N R

Barnaby Kent

Non-executive Director

Barnaby Kent joined Journeo as a Non-Executive Director in March 2023, bringing over 20 years' technology and M&A leadership to the organisation. He was previously CEO at Plumtree Group and was COO at LSE:AIM listed Ideagen for over a decade before a $1bn acquisition by private equity in 2022. Barnaby is currently CEO at Plumtree Consultants, a private investment fund in the UK. He holds a BSc (Hons) from the University of Southampton, and an MBA from Edinburgh Business School.

A N R

Russ Singleton

Chief Executive Officer

Russ Singleton joined the Company in October 2013 as Chief Executive. Russ is a Chartered Engineer with a strong track record, including forming and growing electronics businesses for Synectics plc, formerly Quadnetics Group plc, where, after moving to AIM in 2002, he led the group as Chief Executive, achieving a five-fold increase in turnover and substantial profits. This growth came organically and through acquisitions.

Nick Lowe

Chief Financial Officer and Company Secretary

Nick Lowe joined the Company in May 2017 as Chief Financial Officer. Nick is an FCA with experience at finance director level in growing, technology-led, SME businesses. He has strong group reporting, process and control skills developed whilst at the prestige motor dealer, Sytner Group. Nick qualified as a Chartered Accountant with Tenon in Nottingham, before joining KPMG.

Committees key:

- A Audit Committee
- N Nomination Committee
- R Remuneration Committee

Senior Leadership Team

Scott Cannon
Group Head of Software

Tim Court
Managing Director – Infotec

Mads Henrik Hansen
Managing Director – Journeo A/S

Phil Harrison
Group Financial Controller

Bex Hodds
Human Resources Manager

Dr Andy Houghton
Chief Technical Officer

Mark Johnson
Director of Fleet Systems

Steve Kesterton
Group Operations Manager

Darren Maher
Group Development and Communications Director

Neil Scott
Chief Operating Officer - Infotec

Chris Smith
Group Projects Manager

Richard Webb
Group Sales Director

Report on corporate governance

Summary

- The Board met 12 times in 2024. All of the Directors of the Company were in attendance at the time of the meetings.
- The Audit Committee met with the Auditor twice during the year.
- Several meetings of the Remuneration Committee were held during 2024.
- An ongoing process to identify, evaluate and manage the significant risks faced by the Group has been in place for the full year under review.

The Company has adopted the Quoted Companies Alliance's (QCA) Corporate Governance Code for small and mid-size quoted companies (revised in November 2023 and meeting the requirements of AIM Rule 26).

The QCA Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. The Board has considered how it applies each principle to the extent that the Board judges these to be appropriate in the circumstances, and provides an explanation of the approach taken in relation to each on the Company's website. The Board considers that it does not depart from any of the principles of the QCA Code.

The Company has chosen to adopt the recommendations of the QCA and will include proposals for the re-appointment of all Directors and the approval of the Directors' Remuneration Report at the Annual General Meeting.

The workings of the Board and its Committees

The Board

The Board currently comprises two Non-executive Directors, a Non-Executive Chairman and two Executive Directors, and is responsible for the management of the Group. The Board meets at least ten times a year, setting and monitoring Group strategy, reviewing trading performance and formulating policy on key issues.

Day-to-day operational decisions are delegated to the Senior Leadership Team. Key issues reserved for the Board include the consideration of potential acquisitions, share issues and fundraising, the setting of Group strategy, City public relations, and the review and evaluation of significant risks facing the business.

Briefing papers are distributed by the Company Secretary to all Directors in advance of Board meetings. All Directors have access to the advice and services of the Company Secretary who is responsible for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. The appointment and removal of the Company Secretary is a matter for the Board as a whole. In addition, procedures are in place to enable Directors to obtain independent professional advice in the furtherance of their duties if necessary, at the Company's expense.

Biographies of the Directors, including details of their experience and role within the Group, are set out on page 38.

Attendance at meetings

The Board met 12 times in 2024. All of the Directors of the Company at the time of the meetings were in attendance.

The Audit Committee

The Audit Committee comprises the three Non-Executive Directors: Barnaby Kent, as Chairman, Mark Elliott and James Cumming. The Audit Committee's remit is set out in its terms of reference. The Committee assists the Board in ensuring that the Group's published financial statements give a true and fair view and, where the Auditor provides non-audit services, that its objectivity and independence is safeguarded. The Audit Committee reviews arrangements by which employees may, in confidence, raise concerns about possible inappropriateness in the financial reporting of the Company or other matters. The Audit Committee has procedures in place for the investigation and follow-up of any such matters reported to it by staff.

The Remuneration Committee

The Remuneration Committee comprises the three Non-Executive Directors: James Cumming, as Chairman, Mark Elliott and Barnaby Kent. Several meetings of the Committee were held during 2024. The Committee is responsible for making recommendations to the Board on the remuneration of senior management and all Directors.

The Nomination Committee

The Nomination Committee comprises the three Non-Executive Directors: Mark Elliott, as Chairman, James Cumming and Barnaby Kent. It meets as necessary and is responsible for making recommendations to the Board on the appointments of Executive and Non-Executive Directors. When required, it is the usual practice of the Nomination Committee to employ specialist external search and selection consultants to assist in the appointment process for new Executive and Non-Executive Directors.

Election and re-election of Directors

All Directors of the Company are subject to election by shareholders at the first AGM following their appointment by the Nomination Committee. Thereafter, each Director is subject to re-election by rotation at intervals of no more than three years.

Terms of reference

The terms of reference for the Audit, Remuneration and Nomination Committees are available on request from the Company Secretary and are available for inspection on the Company's website – journeo.com.

Internal controls

The Directors acknowledge that they are responsible for the Group's system of internal control and for reviewing its effectiveness. The internal control systems are reviewed annually by the Board. Internal control systems are designed to meet the particular needs of the Group and the risks to which it is exposed. Internal control procedures are regularly reviewed in light of an ongoing process to identify, evaluate and manage the significant risks faced by the Group. The procedures are designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss. The process has been in place for the full year under review and up to the date of approval of the Annual Report and Financial Statements.

The key procedures which the Directors have established with a view to providing effective internal controls are as follows:

Management structure

The Board has overall responsibility for the Group and there is a formal schedule of matters specifically reserved for decision by the Board.

Each Executive Director has been given responsibility for specific aspects of the Group's affairs. The Executive Directors, together with the senior management team, constitute the Management Committee, which meets weekly to discuss day-to-day operational matters.

Control environment

The Group's control environment is the responsibility of the Group's Directors and managers at all levels. A review of the key risks facing the business and the effectiveness of the Group's internal controls was last performed in January 2025. During the year, the Board reviewed and updated its internal control arrangements to ensure they remained appropriate.

Main control procedures

The Directors have established control procedures in response to key risks. Standardised financial control procedures operate throughout the Group to ensure the integrity of the Group's financial statements. The Board has established procedures for authorisation of capital and revenue expenditure.

Monitoring system used by the Board

The Board reviews the Group's performance against budgets on a monthly basis. The Group's cash flow is monitored monthly by the Board.

Internal audit

The Group does not have an independent internal audit function, as the Board does not consider the current scale of operations warrants such a function. However, the Board will keep this under review, with a view to creating an internal audit function when it is warranted.

Going concern

The Group's business activities, together with factors likely to affect its future development, performance and position, are set out in the Strategic Report along with the principal risks and uncertainties.

The Group's net underlying profit for the year was £4,825k (2023: £4,284k). At 31 December 2024 the Group had net current assets of £16,519k (2023: £10,407k) and net cash reserves of £14,318k (2023: £8,116k).

The Directors have prepared Group cash flow projections for the period to 30 June 2026 based on latest forecasts that show that the Group will be able to operate within the Group current funding resources with significant headroom.

As with all businesses there are particular times of the year where our working capital requirements are at their peak. The Group is well placed to manage these business risks effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed. The Directors also monitor a rolling cash flow forecast, and key management review working capital movements and requirements on a daily basis.

The projections, taking account of reasonably possible changes in trading performance, indicate that the Group will operate within available facilities throughout the projection period and therefore, based on these projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of these financial statements. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

Report of Directors' remuneration

As an AIM company, the Company is required to comply with AIM Rule 19 and not with Schedule 8 to the Accounting Regulations under the Companies Act 2006. Nevertheless, the Board prefers to follow best practice and has therefore prepared the following report which meets the majority of these regulations.

This Report on Directors' Remuneration sets out the Company's policy on the remuneration of Executive and Non-executive Directors together with details of Directors' remuneration packages and service contracts.

Remuneration Committee

For the financial year ended 31 December 2024, the remuneration policy for Executive and Non-executive Directors and the determination of individual Executive Directors' remuneration packages have been delegated to the Board's Remuneration Committee.

In setting the remuneration policy, the Remuneration Committee considers a number of factors including:

(a) the basic salaries and benefits available to Executive Directors of comparable companies;

(b) the need to attract and retain Directors of an appropriate calibre;

(c) the need to ensure Executive Directors' commitment to the continued success of the Company by means of incentive schemes; and

(d) the need for the remuneration awarded to reflect performance.

Remuneration of the Non-executive Directors

The Non-executive Directors receive fees for their services which are agreed by the Board following recommendation by the Chief Executive with a view to rates paid in comparable organisations and appointments.

The Non-executive Directors did not receive any pension or other benefits from the Company, nor did they participate in any bonus or incentive schemes.

Remuneration policy for Executive Directors

The Company's remuneration policy for Executive Directors is to:

(a) have regard to the Directors' experience and the nature and complexity of their work in order to pay a competitive salary that attracts and retains management of the highest quality;

(b) link individual remuneration packages to the Group's long-term performance through the award of share options and discretionary bonus schemes; and

(c) provide employment-related benefits including life assurance, insurance relating to the Directors' duties and medical insurance.

The Remuneration Committee meets at least once a year in order to consider and set the annual salaries for Executive Directors, having regard to personal performance and information regarding the remuneration practices of companies of similar size and of industry competitors.

Directors' service contracts

Details of individual Directors' service contracts are as follows:

	Contract date	Unexpired term	Notice period
Executive			
R C Singleton	10 Oct 2013	None	Twelve months
N Lowe	15 May 2017	None	Six months

The Non-executive Directors do not have service contracts, but their terms are set out in letters of appointment.

	Date of letter of appointment	Notice period
Non-executive		
M W Elliott	18 August 2014	One month
J Cumming	22 August 2013	None
B Kent	21 March 2023	None

The Directors are required to retire by rotation and the appointment of new Directors has to be approved at the next Annual General Meeting (AGM) subsequent to their appointment by the Board. All Directors will be proposed for re-appointment at the AGM.

Other than the notice periods afforded to some of the Directors, there are no special provisions for compensation in the event of loss of office. The Remuneration Committee considers the circumstances of individual cases of early termination and determines compensation payments accordingly.

Non-executive directorships

With the permission of the Board, the Executive Directors may accept appointments as non-executive directors elsewhere. Any fees related to such employment may be retained by the Director concerned.

Directors' detailed emoluments and remuneration

Details of individual Directors' emoluments and remuneration for the year are as follows:

	Salary and fees £	Bonuses £	Benefits £	Pension £	**Total 2024 £**	Total 2023 £
Executive						
R C Singleton	250,000	125,000	12,978	—	**387,978**	362,558
N Lowe	180,000	99,000	1,295	18,000	**298,295**	256,739
Non-executive						
M W Elliott	67,600	—	—	—	**67,600**	66,775
J Cumming	37,500	—	—	—	**37,500**	36,050
B Kent	36,400	—	—	—	**36,400**	27,462
	571,500	224,000	14,273	18,000	**827,733**	749,584

Share options

At 31 December 2024, the Company had five employee share option schemes: the 2004 Enterprise Management Incentive (EMI) Plan, the 2014 Enterprise Management Incentive (EMI) Share Option Plan, the 2020 Enterprise Management Incentive (EMI) Plan, the 2024 Nominal Value and the 2024 Market Value plans. The 2004 EMI Plan was approved by shareholders on 18 May 2004 and expired for new options on its tenth anniversary. On 22 October 2014, the Board established the 2014 EMI Share Option Plan and on 1 April 2020, the Board established the 2020 EMI Share Option plan; both operate in substantially the same way as the 2004 EMI Plan. The Board established the 2024 Market Value and Nominal Value plans on 17 September 2024.

The outstanding options are detailed in note 22 to the financial statements.

Directors' interests in share options

Directors' interests in share options are disclosed in note 22 to the Group financial statements.

Directors' interests in the Employee Shareholder Plan

On 15 February 2015, the 21st Century Technology Employee Shareholder Plan (the 'Plan') was implemented following approval at a general meeting of the Company.

Directors' interests in the Plan are disclosed in note 22 to the Group financial statements.

Directors' interests in shares

Directors' interests in the share capital of the Company are disclosed in the Directors' report.

Statutory Directors' report

The following matters are reported by the Directors in accordance with the Companies Act 2006 requirements in force at the date of the Annual Report.

The Directors present their report and the Group financial statements for the year ended 31 December 2024.

Principal activities

The principal activities of the Group are set out within the Strategic Report on pages 12 to 35.

Review of business and future developments

The consolidated statement of comprehensive income for the year ended 31 December 2024 is set out on page 54.

A review of the Group's business activities and its future developments is included in the Strategic Report on pages 12 to 35 and the Chairman's statement on pages 10 to 11.

The Chairman's statement, the Report on Corporate Governance and the Report on Directors' Remuneration are incorporated into this report by reference and should be read as part of this report.

Key performance indicators

The Directors and Company management use financial key performance indicators (KPIs), as reflected in this Annual Report, to monitor progress against our objectives. The KPIs are:

- Revenue
- Gross Profit and Gross Profit %
- Administrative expenses - total and underlying
- Operating profit – total and underlying
- Net current assets
- Net cash balance and net cash flows from operating activities
- Earnings per share on a basic and diluted basis
- Profit before tax
- Order book

Principal risks and uncertainties

Details of the principal risks and uncertainties considered by the Board to affect the Group, and the related mitigation actions, are given in the Strategic Report on pages 33 to 35.

Financial risk management

The Group's financial instruments include bank facilities and cash. The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial instruments, such as trade receivables and trade payables, that arise directly from its operations.

The main risks from the Group's financial instruments are credit, liquidity, interest rate and foreign exchange risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

The Group is exposed to credit risk primarily in respect of its trade receivables, which are stated net of provision for estimated impaired receivables. Exposure to this risk is mitigated by careful evaluation of the granting of credit and close monitoring and management of collections from trade receivables.

Liquidity and interest rate risk

The Group's policy on funding capacity is to ensure that we have sufficient long-term funding and facilities in place to meet foreseeable peak borrowing requirements. At 31 December 2024, the Group had net cash at bank of £14,318k (2023: £8,116k). The Group's policy is to ensure that sufficient resources are available to service all debt by monitoring prudent cash flow forecasts.

Foreign currency risk

Several components used are sourced from overseas suppliers who invoice in US Dollars, Danish Krone and Euros. In addition, our operations in Europe generate transactions denominated in Euros, Danish Krone and Swedish Krona. Consequently, the Group is exposed to fluctuations in Sterling against these foreign currencies. Where appropriate, the Group uses forward exchange contracts to hedge foreign exchange exposures arising on forecast payments in foreign currencies and our selling prices in overseas markets are linked to movements in Sterling.

Future outlook

A summary of the outlook for the Group is given within the Chairman's statement on page 11.

Going concern

The financial statements have been prepared on a going concern basis as covered in the Report on Corporate Governance on pages 36 to 51.

Results and dividend

The Group reports a profit after tax of £4.5m for the year (2023: £3.0m). At the forthcoming AGM, the Directors are not recommending the payment of a dividend (2023: £nil).

Directors

Details of current Directors, dates of appointment, their roles, responsibilities and significant external commitments are set out on page 38.

Directors' interests in shares

The Directors during the year and their interests in the share capital of the Company, other than in respect of options to acquire Ordinary Shares (which are detailed in the analysis of options included in note 22 to the financial statements) were as follows:

	Number of Ordinary 6.5p Shares in the Company	
	31 December 2024	31 December 2023
M W Elliott	**123,809**	123,809
R C Singleton	**465,385**	465,385
N Lowe	**43,800**	35,000
J Cumming	**44,047**	44,047
B Kent	**30,000**	—

187,750 of the share interests of Russ Singleton are held in self-invested personal pension schemes.

Apart from the interests disclosed above and in note 22, no Directors held interests at any time in the year in the share capital of the Company or other Group companies.

Disabled employees

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person.

Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, and career development and promotion to disabled persons wherever appropriate.

Employee involvement

The Group's policy is to consult and discuss with employees, through meetings, matters likely to affect employees' interests. The meetings seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

All employees are eligible to receive share options. Membership of the share option scheme is reviewed annually. The number of options granted varies according to seniority and performance.

Directors' indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for Directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company.

Appropriate directors' and officers' liability insurance cover is in place in respect of all of the Company's Directors.

Directors' duties

The Directors of the Company are required to act in accordance with a set of general duties. These duties are detailed in Section 172 of the UK Companies Act 2006 which is summarised as follows: "A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole".

The Directors are aware of their obligations with regards to the matters under Section 172, namely:

(a) the likely consequences of any decision in the long term;

(b) the interests of the Company's employees;

(c) the need to foster the Company's business relationships with suppliers, customers and others;

(d) the impact of the Company's operations on the community and the environment;

(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly between members of the Company.

The Strategic report on pages 12 to 35, the Directors' report on pages 44 to 46 and the Report on Corporate Governance on pages 40 and 41 set out the ways in which these duties are fulfilled.

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements of the Group in accordance with UK adopted international accounting standards and applicable law and have also chosen to prepare the parent company financial statements in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 'Reduced Disclosure Framework' has been followed subject to any material departures disclosed and explained in the Company 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.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether UK adopted international accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- provide additional disclosures when compliance with specific requirements in UK adopted international accounting standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the 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.

Disclosure of information to Auditor

In the case of each person who was a Director at the time this report was approved:

(a) so far as the Director is aware there is no relevant audit information of which the Group's Auditor is unaware; and

(b) he has taken all steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

By order of the Board

Mark Elliott
Non-executive Chairman

25 March 2025

Independent Auditor's report

to the members of Journeo plc

Opinion

We have audited the financial statements of Journeo plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

We adopted a risk-based audit approach. We gained a detailed understanding of the group's business, the environment it operates in and the risks it faces.

The key elements of our audit approach were as follows:

In order to assess the risks identified, the engagement team performed an evaluation of the identified risks of the consolidated financial statements and considered the risk of material misstatement at the assertion level of the consolidated financial statements to determine the planned audit responses based on a measure of materiality.

We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We performed a full-scope audit of the financial statements of the parent company, Journeo plc, and of each of its UK trading subsidiaries. The operations that were subject to full-scope audit procedures made up 92% of consolidated revenues and 96% of consolidated net assets.

Specific audit procedures were performed over specific balances within remaining components of the group, focusing our audit approach on the applicable risks within each entity and the consideration of the risk of material misstatement of these risks for the group consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's report CONTINUED

to the members of Journeo plc

Risk Description	Our response to the risk
Revenue recognition	
As detailed in note 2 to the financial statements, Significant Accounting Policies, the Group's revenue is generated from a number of streams, as follows: • the sale of equipment; • installation of equipment; • construction contracts; and • service contracts. Given the material nature of revenue and the variety of methods it is generated through, the appropriateness of revenue recognition and management's application of the Group's revenue recognition accounting policies represents a key risk area of significant judgement in the financial statements.	We have assessed accounting policies for consistency and appropriateness with the financial reporting framework and in particular that revenue was recognised when performance obligations were fulfilled. In addition, we reviewed for the consistency of application as well as the basis of any recognition estimates. We have obtained an understanding of processes through which the businesses initiate, record, process and report revenue transactions. We performed walkthroughs of the processes as set out by management, to ensure controls appropriate to the size and nature of operations are designed and implemented correctly throughout the transaction cycle. We tested equipment sales and installation revenue to gain assurance over the completeness, existence and accuracy of reported revenue. We tested construction contracts and ongoing service contracts to gain assurance over the completeness, existence and accuracy of reported revenue. In doing this we have held discussions with management and documented the sales process to understand the sales system and key controls within the revenue cycle and to assess revenue recognition policies used by the group. We have held meetings with project managers to understand key contracts and the basis of revenue recognition. We performed cut-off procedures to test transactions around the year end and verified a sample of revenue to originating documentation to provide evidence that transactions were recorded in the correct year. Our procedures did not identify any material misstatements in the revenue recognised during the year.
Carrying value and impairment of goodwill	
The Group has a significant goodwill balance in relation to Passenger Systems, Infotec and MultiQ Denmark A/S. Group's assessment of carrying value requires significant judgement, in particular regarding cash flows, growth rates, discount rates and sensitivity assumptions.	We challenged the assumptions used in the impairment model for goodwill, which is described in note 10 to the financial statements. We considered historical trading performance by comparing recent growth rates of both revenue and operating profit. We assessed the appropriateness of the assumptions concerning growth rates and inputs to the discount rates against latest market expectations. We performed sensitivity analysis to determine whether an impairment would be required if costs increase at a higher than forecast rate.
Provision for warranty costs:	
The Group provides warranties on some of the equipment sold and therefore makes provision for future costs in relation to these warranties. The amount provided is a management estimate based on past experience and management assessment and requires significant judgement.	We reviewed the calculation method and agreed a sample of data used in the calculation back to source records. We tested warranty claims in the year to gain assurance over the existence of costs. We agreed warranty terms back to contracts for a sample of those provided.

Our application of materiality

We apply the concept of materiality in planning and performing our audit, in determining the nature, timing and extent of our audit procedures, in evaluating the effect of any identified misstatements, and in forming our audit opinion.

The materiality for the group financial statements as a whole was set at £347,500. This has been determined with reference to the benchmark of the group's profit before tax which we consider to be an appropriate measure for a group of companies such as these. Materiality represents 7% of group profit before tax. Performance materiality has been set at 80% of group materiality.

The materiality for the parent company financial statements as a whole was set at £238,000 and performance materiality represents 80% of materiality. This has been determined with reference to the parent company's net assets, which we consider to be an appropriate measure for a holding company with investments in trading subsidiaries.

Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- Reviewing management's cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements;
- Challenging management on key assumptions included in their forecast scenarios;
- Considering the potential impact of various scenarios on the forecasts;
- Reviewing results post year end to the date of approval of these financial statements and assessing them against original budgets; and
- Reviewing management's disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group'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 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 included in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, 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 directors' responsibilities statement set out on page 38, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's report CONTINUED

to the members of Journeo plc

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.

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:

Our assessment focused on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, UK adopted international accounting standards, United Kingdom Generally Accepted Accounting Practice (UK GAAP) and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and sample testing of controls;
- obtaining an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment;
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias specially in relation to the carrying value of goodwill and intangibles; and
- reviewing a sample of the largest construction contracts, understanding the rationale for the stage of completion and assessing the profit take on them.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

Use of our report

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

Melanie Hopwell
(Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Statutory Auditor

Sky View
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DE74 2SA

25 March 2025


Lampeter
for Carmarthen
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65129
TrawsCymru
CE72 YOO

Financial Statements

IN THIS SECTION

Consolidated statement of comprehensive income

for the year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Revenue	3, 4	**49,558**	46,092
Cost of sales		**(31,878)**	(31,782)
Gross profit	4	**17,680**	14,310
Underlying administrative expenses		**(12,855)**	(10,075)
Other income		**—**	49
Underlying profit		**4,825**	4,284
Acquisition costs		**—**	(289)
Share-based payments		**(60)**	(22)
Total administrative expenses and other income		**(12,915)**	(10,337)
Operating profit		**4,765**	3,973
Net finance income / (expense)		**188**	(240)
Profit before taxation	7	**4,953**	3,733
Taxation charge	8	**(433)**	(760)
Profit for the year being total comprehensive income attributable to owners of the parent		**4,520**	2,973
Profit per share	9		
Basic		**27.44p**	18.64p
Diluted		**26.29p**	17.96p

The notes on pages 58 to 82 form part of these financial statements.

Consolidated statement of changes in equity

for the year ended 31 December 2024

	Share capital £'000	Share premium account £'000	Retained earnings £'000	Total equity shareholders' funds £'000
Balance at 1 January 2023	6,250	1,174	(5,276)	2,148
Profit and total comprehensive income for the year	—	—	2,973	2,973
Proceeds from issue of new shares	503	7,092	—	7,595
Share-based payments	—	—	22	22
Balance at 31 December 2023	6,753	8,266	(2,281)	12,738
Profit and total comprehensive income for the year	—	—	4,520	4,520
Share-based payments	—	—	60	60
Balance at 31 December 2024	**6,753**	**8,266**	**2,299**	**17,318**

The notes on pages 58 to 82 form part of these financial statements.

Consolidated statement of financial position

at 31 December 2024

	Notes	**2024 £'000**	2023 £'000
Assets			
Non-current assets			
Goodwill	10	**4,058**	4,058
Other intangible assets	11	**2,647**	2,685
Property, plant and equipment	12	**1,563**	1,585
Deferred tax asset	8	**185**	189
Trade and other receivables	15	**39**	40
		8,492	8,557
Current assets			
Inventories	14	**7,256**	6,868
Trade and other receivables	15	**12,084**	12,212
Cash and cash equivalents	16	**14,318**	8,116
		33,658	27,196
Total assets		**42,150**	35,753
Equity and liabilities			
Shareholders' equity			
Share capital	22	**6,753**	6,753
Share premium account		**8,266**	8,266
Retained earnings		**2,299**	(2,281)
Total equity		**17,318**	12,738
Non-current liabilities			
Deferred revenue	17	**4,501**	2,841
Other payables	17	**—**	207
Loans and borrowings	19	**99**	163
Deferred tax liability	8	**319**	25
Lease liabilities	19	**726**	756
Provisions	20	**2,048**	2,234
		7,693	6,226
Current liabilities			
Trade and other payables	17	**9,339**	9,921
Deferred revenue	17	**6,677**	5,831
Loans and borrowings	19	**119**	64
Lease liabilities	19	**299**	195
Provisions	20	**705**	778
		17,139	16,789
Total equity and liabilities		**42,150**	35,753

The financial statements were approved by the Board of Directors and authorised for issue on 25 March 2025 and were signed on its behalf by:

M W Elliott
Non-executive Chairman

R C Singleton
Chief Executive

Registered number: 02974642

The notes on pages 58 to 82 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Net cash flows from operating activities	13	**7,591**	1,664
Cash flows from investing activities			
Purchases of property, plant and equipment		**(170)**	(434)
Purchases / generation of intangible assets		**(910)**	(789)
Acquisition costs		**—**	(289)
Net cash inflow on acquisitions		**—**	3,030
Net cash flows from investing activities		**(1,080)**	1,518
Cash flows from financing activities			
Cash flows from issue of new loans		**40**	215
Principal element of lease repayments		**(299)**	(266)
Repayment of loans		**(50)**	(2,643)
Issue of shares		**—**	7,095
Net cash flows from financing activities		**(309)**	4,401
Net increase in cash and cash equivalents		**6,202**	7,583
Cash and cash equivalents at beginning of year		**8,116**	533
Effect of foreign exchange rate changes		**—**	—
Cash and cash equivalents at end of year		**14,318**	8,116

The notes on pages 58 to 82 form part of these financial statements.

Notes to the consolidated financial statements

for the year ended 31 December 2024

1. General information

Journeo plc is a public limited company incorporated in England and quoted on AIM. Its registered and head office address is 12 Charter Point Way, Ashby-de-la-Zouch, LE65 1NF. Its principal place of business is in the UK and mainland Europe and its principal activities are described in the Strategic Report on pages 12 to 35.

2. Significant accounting policies applied to the consolidated financial statements of the Group

Basis of preparation

These financial statements are the consolidated financial statements of Journeo plc and its subsidiaries (the 'Group'). Separate financial statements for the parent company as an individual entity are included on pages 83 to 90.

The Group financial statements are prepared in accordance with International Financial Reporting Standards and IFRIC interpretations issued and effective (or adopted early) and endorsed by the United Kingdom at the time of preparing these financial statements and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, except financial instruments and share-based payments, which are prepared in accordance with IFRS 9 and IFRS 2 respectively. A summary of the more important Group accounting policies is set out below.

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group entity are expressed in Sterling (£), which is the presentation currency for the consolidated financial statements. The numbers in the financial statements are rounded in £'000 for presentation purposes for year ended 31 December 2024 with prior year comparatives being for the year ended 31 December 2023.

Standards and interpretations

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);
- Lease liability in a sale and leaseback (Amendments to IFRS 16);
- Classification of liabilities as current or non-current (Amendments to IAS 1); and
- Non-current liabilities with covenants (Amendments to IAS 1).

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2. Significant accounting policies applied to the consolidated financial statements of the Group CONTINUED

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

The purchase of subsidiaries is accounted for using the acquisition method. The results of subsidiaries sold or acquired are included in the consolidated statement of comprehensive income up to, or from, the date control passes. Intragroup sales and profits are eliminated fully on consolidation.

Goodwill

Goodwill is recognised as an intangible asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the consolidated statement of comprehensive income and may not be subsequently reversed. Goodwill previously eliminated has not been reinstated on implementation of IAS 38 as permitted by IFRS 1.

On disposal of a subsidiary or business, the attributable goodwill is included in the determination of profit or loss on disposal.

Plant and equipment

The cost of plant and equipment is the purchase price plus any costs directly attributed to bringing the asset to the location and condition necessary for it to be capable of operating in a manner intended by management.

Depreciation is calculated so as to write off the cost of property, plant and equipment on a straight-line basis to their estimated residual values over the expected useful economic lives of the assets concerned. Periodic reviews are made of estimated remaining useful lives and residual values and the depreciation rates applied are:

Leasehold improvements	20%
Right of Use asset: property	In line with lease term
Plant and equipment	20–33%
Right of Use asset: vehicles	Up to 60 months

Business combinations

On the acquisition of a company or business, a determination of the fair value and the useful life of intangible assets acquired is performed, which requires the application of management judgement. Future events could cause the assumptions used by the Group to change, which would have a significant impact on the results and net position of the Group.

Revenue

Revenue represents amounts invoiced to customers, net of value added tax and trade discounts. The sale of equipment includes installation of on-vehicle equipment, with the turnover being recognised once the installation has been completed or when the goods are despatched. There is also revenue from longer-term and construction contracts which is recognised as contract work in progress in accordance with the Group's contract accounting policy as detailed below. For most sales, the enforceable contract is each purchase order, which is an individual, short-term contract. As the enforceable contract for most arrangements is the purchase order, the transaction price is determined at the date of each sale and, therefore, there is no future variability within scope of IFRS 15 and no further remaining performance obligations under those contracts.

When the Group sells multiple goods and/or services as a package, the components are separated and accounted for separately.

Revenue received before goods and services are delivered is recognised as deferred income and transferred to the consolidated statement of comprehensive income once the goods are delivered and when the services have been performed.

Ongoing revenue from service contracts is recognised on a straight-line basis over the term of the contract.

The Group does provide a warranty period of up to five years which is considered to be an assurance-type warranty and therefore no separate performance obligation has been identified.

Contract accounting

The Group recognises revenue and costs on its customer contracts under the percentage of completion method.

In determining costs incurred up to the year end, any costs relating to future activity on a contract are excluded and are shown as contract work in progress. The aggregate of the cost incurred and the profit or loss recognised on each contract is compared against the progress billings up to the year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on contracts, under receivables and prepayments. Where the progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on contracts, under trade and other payables.

2. Significant accounting policies applied to the consolidated financial statements of the Group CONTINUED

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Board of Directors include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Group's headquarters), head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire plant and equipment, and intangible assets other than goodwill.

Taxation

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

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

Deferred tax is provided using the year-end liability method on any temporary differences between the carrying amounts for financial reporting purposes and those for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference.

Earnings per Ordinary Share

Basic earnings per share (EPS) is calculated by dividing the earnings attributable to Ordinary Shareholders by the weighted average number of Ordinary Shares in issue during the year. For diluted earnings, the weighted average number of Ordinary Shares in issue is adjusted to assume conversion of all dilutive potential Ordinary Shares.

Impairment

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, estimates are made of the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value, less costs to sell, and value-in-use. In assessing value-in-use, estimated future cash flows are discounted to their present value using a discount rate appropriate to the specific asset or cash generating unit and by comparing the internal rate of return generated by the cash flows to target return rates established by management. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying value of the asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognised immediately in the consolidated statement of comprehensive income.

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if that impairment loss had not been recognised. Impairment losses in respect of goodwill are not reversed.

Intangible assets software

Software which can be separately identified is capitalised to intangible assets at cost of acquisition and amortised over the estimated useful economic lives of between three and five years on a straight-line basis into administrative expenses. All software will be fully amortised by 31 December 2029.

2. Significant accounting policies applied to the consolidated financial statements of the Group CONTINUED

Research and Development

Expenditure on research is written off in the period in which it is incurred.

Development expenditure is capitalised where it relates to a specific project where technical feasibility has been established, adequate technical, financial and other resources exist to complete the project, the expenditure attributable to the project can be measured reliably and overall project profitability is reasonably certain. In this case, it is recognised as an intangible asset and amortised over its useful economic life when the asset is made available for use. All other development expenditure is recognised as an expense in the period in which it is incurred. All capitalised development expenditure will be fully amortised by 31 December 2029.

Customer lists

The fair value of customer lists acquired in a business combination is estimated using discounted incremental cash flow and amortised over a five-year estimated useful economic life. Amortisation is included in the consolidated statement of comprehensive income as a part of administrative expenses.

Inventories

Inventory is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell, on a moving average basis. The cost is based on the average weighting method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Where necessary, provision is made for obsolete, slow-moving and defective inventory.

Financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of less than or equal to three months and are measured on initial recognition at their fair value and subsequently at amortised cost.

Loans and receivables and other financial liabilities

Trade receivables and trade payables are measured on initial recognition which is the trade date, at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable trade receivables are recognised in the consolidated statement of comprehensive income when there is objective evidence that the asset is impaired.

Loans are initially recognised at the fair value of the proceeds and are classified as current liabilities unless the Group has an unconditional right to defer settlement for at least one year after the balance sheet date.

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the consolidated statement of comprehensive income.

Leasing

Under IFRS 16, which the Group has adopted effective for the period starting 1 January 2019, leases are recognised as a Right of Use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the consolidated statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Right of Use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

In adopting this approach, the Group has applied the expedient to expense long-term leases with a remaining lease term of 12 months or less or short-term leases (less than 12 months). These leases are disclosed as operating leases. Rentals payable under operating leases are charged in the statement of comprehensive income on a straight-line basis over the lease term.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expensed to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2. Significant accounting policies applied to the consolidated financial statements of the Group CONTINUED

Pensions

The Group operates a defined contribution scheme. The pension cost charge to the consolidated statement of comprehensive income is the contributions payable to the pension scheme for the period.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the net expenditure required to settle the obligation at the year-end date and are discounted to present value where the effect is material.

Foreign currencies

Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing at the year-end date. All differences are taken to the statement of comprehensive income.

The assets and liabilities of foreign operations are translated to Sterling at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Sterling at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the consolidated statement of comprehensive income.

Share capital and share premium

Ordinary Shares are classified as equity. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Share-based payments

The Group issues equity-settled share-based payments to certain Directors and employees. Share-based payments are measured at their fair value at the date of grant using a Black Scholes or Monte Carlo model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based upon the Group's estimate of participants eligible to receive shares at the point of vesting.

Going concern

The Group's business activities, together with factors likely to affect its future development, performance and position, are set out in the Strategic Report along with the principal risks and uncertainties.

The Group's net underlying profit for the year was £4,825k (2023: £4,284k). As at 31 December 2024, the Group had net current assets of £16,519k (2023: £10,407k) and net cash reserves of £14,318k (2023: £8,116k).

The Directors have prepared Group cash flow projections for the period to 30 June 2026 based on latest forecasts that show that the Group will be able to operate within the Group current funding resources with significant headroom.

As with all businesses there are particular times of the year where our working capital requirements are at their peak. The Group is well-placed to manage these business risks effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed. The Directors also monitor a rolling cash flow forecast, and key management review working capital movements and requirements on a daily basis.

The projections, taking account of reasonably possible changes in trading performance, indicate that the Group will operate within available facilities throughout the projection period and therefore, based on these projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of these financial statements. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition of assets, liabilities, income and expenses. Although these judgements and estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies were:

(i) Note 3 – Revenue recognition

Where products and maintenance are bundled in a contract some judgement may be required to identify the separate components which are recognised in accordance with general revenue recognition criteria.

(ii) Note 11 – Capitalisation of development

It is Group policy to capitalise development expenditure for the production of new or substantially improved products and processes if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. This policy includes judgements regarding the initial recognition of the asset based upon market research and expected future net revenues.

2. Significant accounting policies applied to the consolidated financial statements of the Group CONTINUED

The key sources of estimation uncertainty were:

(i) Note 8 – Deferred tax

Determining the amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference.

(ii) Note 10 – Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash generating units to which goodwill has been allocated. The value-in-use calculation requires the Group to estimate future cash flows expected to arise from the cash generating unit at a suitable discount rate in order to calculate the present value. A discount rate of 13% is applied to the cash flow forecasts from the most recent financial budgets and long-term plans which are extrapolated in perpetuity assuming no growth beyond five years. The key assumptions made in relation to the impairment review of goodwill are set out in note 10.

(iii) Note 11 – Amortisation and impairment of intangibles

It is Group policy to amortise development expenditure. Expenditure is amortised over the period which the Directors expect to obtain economic benefits. This policy includes estimations regarding the period of amortisation.

Determining whether intangibles are impaired requires an estimation of the recoverable value of the individual asset. Where assets generate cash flows that are independent of other assets then the value-in-use calculation requires the Group to estimate future cash flows expected to arise from the asset at a suitable discount rate in order to calculate the present value.

(iv) Note 14 – Provision for obsolete and slow-moving inventory

Determining the level of provision necessary for obsolete and slow-moving inventory requires management to make judgements in estimating the net realisable value of the Group's inventory based upon stock turnover statistics and management's knowledge of market changes. Provisions are made on an item-by-item basis.

(v) Note 18 – Contract accounting

Determining the outcome of a contract requires management to make estimates around the expected future costs that will be incurred to bring that project to completion. The percentage completion of a contract also requires management estimates which are based on costs incurred and project progress up to the reporting date.

When the outcome of a contract cannot be estimated reliably contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised when incurred.

When the outcome of a contract can be estimated reliably contract revenue and contract costs are recognised over the period of the contract as revenue and expenses, respectively. This is normally measured either by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work are included to the extent that they have been agreed with the customer. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately in the consolidated statement of comprehensive income.

(vi) Note 20 – Warranty provision

Determining the level of provision necessary for product warranties requires management to make estimates regarding estimating the likely future costs based upon historical cost experience, expected future trends and management's experience. The warranty provision is estimated on a per asset or per contract basis.

(vii) Note 22 – Share-based payments

In determining the fair value of equity-settled share-based payments and the related charge to the consolidated statement of comprehensive income, the Group makes assumptions about future events and market conditions. In particular, judgement must be made as to the likely number of shares that will vest and the fair value of each award granted. The share options have a life of ten years and the exercise period is determined to be five years. The fair value is determined using the Black Scholes and Monte Carlo valuation model. At each year end the Group revises its estimate of the number of options that are expected to become exercisable. It recognises the impact of the revision of the original estimates, if any, in the consolidated statement of comprehensive income with a corresponding adjustment to equity.

3. Revenue and other income

The revenue split between goods and services is:

	2024 £'000	2023 £'000
Goods	**38,661**	38,402
Services	**10,897**	7,690
	49,558	46,092
Contract works included in goods	**7,171**	6,994

4. Segmental reporting

IFRS 8 requires operating segments to be determined on the basis of those segments whose operating results are regularly reviewed by the Board of Directors (the Chief Operating Decision Maker as defined by IFRS 8) to make strategic decisions.

As the Board of Directors reviews revenue, gross profit and operating loss on the same basis as set out in the consolidated statement of comprehensive income, no further reconciliation is considered to be necessary.

Revenue and gross profit

	Revenue 2024 £'000	**Gross profit 2024 £'000**	Revenue 2023 £'000	Gross profit 2023 £'000
Fleet Systems	**23,692**	**6,688**	16,332	3,949
Infotec	**12,421**	**4,617**	19,669	5,862
Journeo A/S	**4,033**	**1,937**	1,139	542
Passenger Systems	**9,503**	**4,438**	9,045	3,957
Intersegment Sales	**(91)**	**—**	(93)	—
Total	**49,558**	**17,680**	46,092	14,310

Major customers

In the year, no customer accounted for over 10% of Group revenue. In the prior year, one customer within each of the Fleet Systems and Infotec segments accounted for over 10% of Group revenue at 11% and 17% respectively.

Underlying profit

	2024 £'000	2023 £'000
Fleet Systems	**2,515**	583
Infotec	**2,083**	3,697
Journeo A/S	**277**	153
Passenger Systems	**193**	115
	5,068	4,548
Central	**(243)**	(264)
Underlying profit	**4,825**	4,284

4. Segmental reporting CONTINUED

Reconciling to profit/(loss) before interest and tax

2024	Underlying operating profit/(loss) £'000	Acquisition costs £'000	Share-based payments £'000	Operating profit/(loss) £'000	Profit/(loss) before interest and tax £'000
Fleet Systems	**2,515**	**—**	**(28)**	**2,487**	**2,487**
Infotec	**2,083**	**—**	**(20)**	**2,063**	**2,063**
Journeo A/S	**277**	**—**	**(7)**	**270**	**270**
Passenger Systems	**193**	**—**	**(25)**	**168**	**168**
	5,068	**—**	**(80)**	**4,988**	**4,988**
Central	**(243)**	**—**	**20**	**(223)**	**(223)**
	4,825	**—**	**(60)**	**4,765**	**4,765**

2023	Underlying operating profit/(loss) £'000	Acquisition costs £'000	Share-based payments £'000	Operating profit/(loss) £'000	Profit/(loss) before interest and tax £'000
Fleet Systems	583	—	(11)	572	572
Infotec	3,697	—	—	3,697	3,697
Journeo A/S	153	—	—	153	153
Passenger Systems	115	—	(11)	104	104
	4,548	—	(22)	4,526	4,526
Central	(264)	(289)	—	(553)	(553)
	4,284	(289)	(22)	3,973	3,973

Net assets attributed to each business segment represent the net external operating assets of that segment, excluding goodwill, bank balances and borrowings, which are shown as unallocated amounts, together with central assets and liabilities.

Net assets

	Assets 2024 £'000	Liabilities 2024 £'000	Net assets 2024 £'000	Assets 2023 £'000	Liabilities 2023 £'000	Net assets 2023 £'000
Fleet Systems	**13,488**	**(8,031)**	**5,457**	8,754	(3,736)	5,018
Infotec	**3,120**	**(4,584)**	**(1,464)**	6,477	(8,999)	(2,522)
Journeo A/S	**2,083**	**(404)**	**1,679**	2,645	(534)	2,111
Passenger Systems	**5,032**	**(11,313)**	**(6,281)**	5,679	(7,774)	(2,095)
	23,723	**(24,332)**	**(609)**	23,555	(21,043)	2,512
Goodwill	**4,058**	**—**	**4,058**	4,058	—	4,058
Cash and borrowings	**14,318**	**(218)**	**14,100**	8,116	(641)	7,475
Unallocated	**51**	**(282)**	**(231)**	24	(1,331)	(1,307)
Total	**42,150**	**(24,832)**	**17,318**	35,753	(23,015)	12,738

4. Segmental reporting CONTINUED

Geographical segments

	Revenue 2024 £'000	**Gross profit 2024 £'000**	Revenue 2023 £'000	Gross profit 2023 £'000
UK	**39,189**	**12,560**	36,739	9,840
International				
– Scandinavia	**4,473**		1,507	
– Other EU	**507**		8	
– Non-EU	**5,389**		7,838	
Total international	**10,369**	**5,120**	9,353	4,470
Total	**49,558**	**17,680**	46,092	14,310

Assets and liabilities by location

	2024 £'000	2023 £'000
Assets		
UK	**39,085**	32,948
International	**3,065**	2,805
Total assets	**42,150**	35,753
Liabilities		
UK	**(24,505)**	(22,467)
International	**(327)**	(548)
Total liabilities	**(24,832)**	(23,015)

5. Employee information

The average monthly number of persons (including Executive Directors) employed by the Group during the year was:

	2024 Number	2023 Number
By activity:		
Administration	**53**	45
Technical	**32**	31
Operation	**120**	109
	205	185

Staff costs (for the above persons)

	2024 £'000	2023 £'000
Wages and salaries	**9,924**	8,182
Social security costs	**1,040**	906
Pension costs	**283**	297
Share-based payments	**60**	22
	11,307	9,407

5. Employee information CONTINUED

Key management compensation (included above)

	2024 £'000	2023 £'000
Wages and salaries	**1,808**	1,460
Social security costs	**232**	195
Pension costs	**80**	28
Share-based payments	**60**	22
	2,180	1,705

The key management personnel are the Board of Directors, the Directors of each of the Group's business segments and the senior management team responsible for the call centre, finance, business development and IT.

Directors' emoluments and pensions included on page 43 are:

	Emoluments		Pension contributions	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Total Directors	**810**	738	**18**	12
Highest paid Director	**388**	363	**—**	—

There is one (2023: one) Director receiving payments into pension schemes. Directors' detailed emoluments are disclosed in the Report on Directors' Remuneration.

6. Net finance income / (expense)

	2024 £'000	2023 £'000
Interest receivable on bank balances	**319**	66
Interest payable on loans	**(48)**	(230)
IFRS 16 interest	**(83)**	(76)
	188	(240)

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7. Profit before taxation

This is stated after charging:

	2024 £'000	2023 £'000
Operating lease rentals:		
– Rent of land and buildings	**81**	82
– Hire of plant and equipment	**304**	259
Depreciation:		
– Property, plant and equipment owned	**240**	186
– Right of Use assets	**223**	192
Amortisation of intangible fixed assets (included within administrative expenses)	**966**	753
Research and Development expenditure	**614**	630
Inventories – consumed and recognised as an expense in cost of sales	**18,680**	24,272
Trade receivables impairment	**194**	70
Write down of inventories	**660**	204
Exchange differences	**38**	65
Share-based payments charge	**60**	22

Profit before taxation is also stated after charging:

	2024 £'000	2023 £'000
Auditor's remuneration:		
Fees payable to the Company's Auditor for the audit of the Company's annual financial statements	**5**	4
Fees payable to the Company's Auditor for the audit of the Company's subsidiaries pursuant to legislation	**93**	91
Additional fees payable to the Company's Auditor for non-audit related services	**—**	35
Total audit fees	**98**	130

8. Taxation

(a) Analysis of charge in year

	2024 £'000	2023 £'000
Current tax		
UK corporation tax on the profit for the year (25%)	**718**	704
Swedish corporation tax on the profit for the year (22%)	**—**	7
Danish corporation tax on the profit for the year (22%)	**—**	49
Adjustments in respect of prior periods	**(641)**	—
Deferred tax charge	**356**	—
Total tax charge for the year	**433**	760

(b) Factors affecting the total tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK at 25% (2023: 23%). The differences are explained below:

	2024 £'000	2023 £'000
Profit before tax	**4,953**	3,733
Profit multiplied by standard rate of corporation tax in the UK of 25% (2023: 23%)	**1,238**	859
Effects of:		
Expenses not deductible for tax purposes	**25**	(305)
Additional deduction for R&D expenditure	**(324)**	—
Prior year under provision	**(487)**	—
Change in unrecognised deferred tax assets	**(19)**	217
Income not taxable	**—**	(11)
Total tax charge for the year	**433**	760

(c) Deferred tax asset / (liability)

The unrecognised and recognised deferred tax assets / (liability) comprise the following:

	Unrecognised		Recognised	
Group	**2024 £'000**	2023 £'000	**2024 £'000**	2023 £'000
Tax losses	**309**	1,138	**185**	189
Short term timing differences	**10**	—	**—**	—
Accelerated capital allowances	**—**	(350)	**(318)**	(25)
	319	788	**(133)**	164

The Group has £1,275,000 of unutilised tax losses (2023: £4,552,000) which may be carried forward indefinitely.

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9. Profit per Ordinary Share

Basic Earnings Per Share (EPS) is calculated by dividing the earnings attributable to Ordinary Shareholders by the weighted average number of Ordinary Shares in issue during the year.

For diluted earnings, the weighted average number of Ordinary Shares in issue is adjusted to assume conversion of all dilutive potential Ordinary Shares.

	2024		2023	
Group	**Profit £'000**	**Per share amount Pence**	Profit £'000	Per share amount Pence
Basic EPS				
Profit attributable to Ordinary Shareholders	**4,520**	**27.44**	2,973	18.64
Diluted EPS				
Profit attributable to Ordinary Shareholders	**4,520**	**26.29**	2,973	17.96

Details of the weighted average number of Ordinary Shares used as the denominator in calculating the earnings per Ordinary Share are given below:

	2024 '000	2023 '000
Basic weighted average number of shares	**16,475**	15,945
Dilutive potential Ordinary Shares	**716**	605
Diluted weighted average number of shares	**17,191**	16,550

10. Goodwill

Goodwill acquired in a business combination is allocated at acquisition to the cash generating unit (CGU) that is expected to benefit from that business combination. The Group has four CGUs which are its four operating segments, Infotec, Fleet Systems, Journeo Denmark and Passenger Systems. The carrying amount of goodwill has been allocated to the CGUs as follows:

	Infotec £'000	MultiQ £'000	Passenger Systems £'000	Total £'000
At 31 December 2022	—	—	1,345	1,345
Additions	2,236	477	—	2,713
At 31 December 2023	2,236	477	1,345	4,058
At 31 December 2024	**2,236**	**477**	**1,345**	**4,058**

The Fleet Systems CGU has no goodwill allocated.

The Group tests goodwill annually for impairment as at 31 December, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined based on a value-in-use calculation which uses cash flow projections based on financial budgets and business plans approved by the Directors covering a five-year period. Cash flows beyond that period have been extrapolated in perpetuity assuming no growth, which the Directors consider to be a conservative approach.

The key assumptions for the value-in-use calculations are those regarding discount rates and sales forecasts.

The discount rates needed to equate the net present value from these cash flows to the carrying value of goodwill are compared to the required rate of return from the CGU based upon an assessment of the time value of money, prevailing interest rates and the risks specific to the CGU. If this discount rate is in excess of the required rate of return then it is assumed that no impairment has occurred to the carrying value of goodwill.

10. Goodwill CONTINUED

The discount rates are as follows:

	2024 %	2023 %
Infotec	**13**	13
Journeo Denmark	**13**	13
Passenger Systems	**13**	13

The discount rates used are based on the Board's judgement considering macroeconomic factors and reflecting specific risks in each segment such as the nature of the market served, the concentration of customers, cost profiles and barriers to entry.

Passenger Systems, Infotec and Journeo Denmark also have intangible assets, see note 11, which are considered in the same value-in-use calculations as goodwill.

The Passenger Systems, Infotec and Journeo Denmark cash flow projections used to determine value-in-use are based upon assumptions of sales, margins and cost bases. Of these assumptions the value-in-use is most sensitive to the level of sales. Margins are fixed in the forecast based upon past experience; the cost base is similarly based upon past experience and will vary depending upon the level of sales. In accordance with the requirements of IAS 36, our value-in-use calculations do not include cash flows from restructurings to which the Group is not yet committed.

The level of sales is the key assumption used in the cash flow forecast. Sales have been determined by management using estimates based upon past experience and future performance with reference to market position and the sales pipeline. The macroeconomic environment has improved and there continues to be an increase in the number and size of contracts available.

Sensitivity analysis has been performed on the pre-tax discount rates, which shows that a pre-tax discount rate of 38.9% (Passenger Systems), 16.7% (Infotec) or 32.1% (Journeo Denmark) would be required in order to eliminate the headroom which exists in these CGUs. The Directors consider that the discount rates used, which are already risk adjusted to capture the Directors' view of the extent to which each CGU is exposed to macroeconomic factors, represent a balanced view.

A sensitivity analysis has been performed on the impairment test. The Directors consider that an absolute change in the key sales assumption is possible and a reduction in the sales forecast in 2024 of 5% would result in headroom remaining in the current carrying value of goodwill.

The Directors believe that, based on the sensitivity analysis and stress testing performed, any reasonably possible change in the key assumptions on which the recoverable amounts are based would not cause the carrying amounts to exceed the recoverable amounts.

The value-in-use for the Group exceeds the carrying value of the assets by £4,932k (2023: £17,267k). There is no impairment to goodwill in the period (2023: no impairment).

11. Other intangible assets

2024 movements	**Customer list £'000**	**Development costs £'000**	**Software £'000**	**Total £'000**
Cost				
At 1 January 2024	752	6,037	457	7,246
Additions	—	862	67	929
Disposals	—	(335)	(3)	(338)
At 31 December 2024	**752**	**6,564**	**521**	**7,837**
Amortisation				
At 1 January 2024	142	4,185	234	4,561
Charge for the year	150	762	54	966
Disposals	—	(335)	(2)	(337)
At 31 December 2024	**292**	**4,612**	**286**	**5,190**
Net Book Value				
At 31 December 2024	**460**	**1,952**	**235**	**2,647**

11. Other intangible assets CONTINUED

2023 movements	Customer list £'000	Development costs £'000	Software £'000	Total £'000
Cost				
At 1 January 2023	—	3,051	304	3,355
Acquired on acquisition	752	3,216	48	4,016
Additions	—	684	105	789
Disposals	—	(914)	—	(914)
At 31 December 2023	752	6,037	457	7,246
Amortisation				
At 1 January 2023	—	1,841	214	2,055
Acquired on acquisition	—	2,666	—	2,666
Charge for the year	142	591	20	753
Disposals	—	(913)	—	(913)
At 31 December 2023	142	4,185	234	4,561
Net book value				
At 31 December 2023	610	1,852	223	2,685

The Group tests intangible assets when there is indication of impairment. The recoverable amounts are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding cash flow forecasts, growth rates and discount rates. The cash flow forecasts are derived from the most recent financial budgets for the next five years approved by management, extrapolated in perpetuity assuming no growth. The impairment test is covered in the Goodwill note 10.

12. Property, plant and equipment

2024 movements	**Leasehold improvements £'000**	**Right of Use asset lease £'000**	**Plant and equipment £'000**	**Total £'000**
Cost				
At 1 January 2024	43	1,644	2,921	4,608
Additions	11	290	159	460
Disposals	(19)	(275)	(193)	(487)
At 31 December 2024	**35**	**1,659**	**2,887**	**4,581**
Depreciation				
At 1 January 2024	14	689	2,320	3,023
Charge for the year	4	223	237	464
Disposals	—	(276)	(193)	(469)
At 31 December 2024	**18**	**636**	**2,364**	**3,018**
Net Book Value				
At 31 December 2024	**17**	**1,023**	**523**	**1,563**

12. Property, plant and equipment CONTINUED

2023 movements	Leasehold improvements £'000	Right of Use asset lease £'000	Plant and equipment £'000	Total £'000
Cost				
At 1 January 2023	16	843	456	1,315
Acquired on acquisition	19	541	2,196	2,756
Additions	8	260	426	694
Disposals	—	—	(157)	(157)
At 31 December 2023	43	1,644	2,921	4,608
Depreciation				
At 1 January 2023	13	497	301	811
Acquired on acquisition	—	—	1,992	1,992
Charge for the year	1	192	185	378
Disposals	—	—	(158)	(158)
At 31 December 2023	14	689	2,320	3,023
Net book Value				
At 31 December 2023	29	955	601	1,585

At 31 December 2024, the plant and equipment includes items with a carrying value of £222k pledged as security for loans included in note 19.

13. Reconciliation of operating profit to net cash inflow from operating activities

	2024 £'000	2023 £'000
Profit for the year	**4,520**	2,973
Adjustments for:		
– Finance (income) / expense	**(188)**	240
– Deferred tax	**299**	—
– Depreciation of property, plant and equipment	**464**	378
– Amortisation of intangible fixed assets	**966**	753
– Share-based payment expense	**60**	22
– Foreign exchange rate	**(30)**	(13)
– Acquisition costs	**—**	289
– (Decrease) / increase in provisions	**(259)**	2,506
Operating cash flows before movement in working capital	**5,832**	7,148
(Decrease) / increase in inventories	**(388)**	295
Decrease in receivables	**126**	1,609
Increase / (decrease) in payables	**2,221**	(6,560)
Cash inflow from operations	**7,791**	2,492
Income taxes paid	**(471)**	(658)
Interest paid	**271**	(170)
Net cash inflow from operating activities	**7,591**	1,664

14. Inventories

	2024 £'000	2023 £'000
Raw materials	**2,268**	3,481
Work in progress	**249**	506
Finished goods and goods for resale	**4,739**	2,881
	7,256	6,868

15. Trade and other receivables

	2024 £'000	2023 £'000
Current		
Trade receivables	**9,731**	8,976
Less: provision for impairment of receivables	**(42)**	(80)
Trade receivables – net	**9,689**	8,896
Amounts due from contract customers	**1,514**	2,171
Other receivables and prepayments	**881**	1,145
	12,084	12,212
Non-current		
Other receivables and prepayments	**39**	40

The average credit period taken on sales of goods is 49 days (2023: 33 days). Trade receivables are provided for to the extent that management has reason to believe that the recoverability of the debt is questionable. Before granting credit terms to any new customer, the Group uses an external credit checking company to assess the customer's credit quality and to assist in the definition of credit limits for that customer. In addition, the Group uses credit protection facilities to protect certain key customer receivables.

The following customers represented more than 5% of the total balance of net trade receivables at the year end:

	Amount receivable	
	2024 £'000	2023 £'000
Customer 1	**1,949**	965
Customer 2	**1,328**	801
Customer 3	**773**	—
Customer 4	**761**	—
Customer 5	**—**	533
Customer 6	**—**	498
Customer 7	**—**	483
Customer 8	**—**	474
Customer 9	**—**	462

Included in the Group's trade receivable balance are debtors with a carrying amount of £3,107,000 (2023: £1,818,000) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these receivables is 82 days (2023: 71 days).

Ageing of past due but not impaired trade receivables:

	2024 £'000	2023 £'000
Up to three months	**2,859**	1,579
Three to six months	**126**	32
Over six months	**122**	207
	3,107	1,818

Movement in the provision for impairment of trade receivables:

	2024 £'000	2023 £'000
Balance at 1 January	**80**	12
Change in provision	**(38)**	68
Balance at 31 December	**42**	80

Ageing of impaired trade receivables:

	2024 £'000	2023 £'000
Over 90 days	**42**	80
	42	80

16. Cash and cash equivalents

	2024 £'000	2023 £'000
Cash and cash equivalents	**14,318**	8,116

Cash and cash equivalents comprise cash, including bank deposits held by the Group.

17. Trade and other payables

	2024 £'000	2023 £'000
Current		
Trade payables	**4,238**	4,368
Other taxation and social security	**1,826**	1,922
Other payables	**711**	1,984
Accruals	**2,564**	1,647
Deferred income relating to contracts	**3,751**	2,037
Deferred income	**2,926**	3,794
	16,016	15,752
Non-current		
Deferred income	**4,501**	2,841
Other payables	**—**	207
	4,501	3,048

Trade creditors and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 25 days (2023: 33 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

18. Contract accounting

	2024 £'000	2023 £'000
Contracts in progress at dates of statement of financial position:		
Amounts due from contract customers included in trade and other receivables	**1,515**	2,171
Amounts due to contract customers included in trade and other payables	**(2,989)**	(2,037)
	(1,474)	134
Contract costs incurred plus recognised profit less recognised losses to date	**18,058**	14,990
Less: progress billings	**(19,532)**	(14,856)
	(1,474)	134

At 31 December 2024, retentions held by customers for contract work amounted to £1,000 (2023: £1,000). Advances received from customers for contract work amounted to £2,989,000 (2023: £2,037,000).

19. Loans and borrowings

	2024			2023		
	Current £'000	**Non-current £'000**	**Total £'000**	Current £'000	Non-current £'000	Total £'000
Bank loans	**119**	**99**	**218**	64	163	227

The fair value of the loans and borrowings is not substantially different from the carrying value. During the year £50k (2023: £2,643k) of loans and borrowings were repaid.

The main terms of the loans are:

	Loan name	Interest rate	Term	Final payment	Loan value
Production Line	Renaissance	8.1% over base	5 years	May 2028	150
BMW Finance	BMW	2.2%	4 years	December 2025	28
Close Brothers	General	2.35% over base	n/a	n/a	40
					218

The invoice finance facility is secured by a debenture over all assets of certain trading subsidiaries of the Group, being Journeo Fleet Systems Ltd and Journeo Passenger Systems Ltd.

At 31 December 2024, plant and equipment with a carrying value of £222k (2023: £288k) were pledged as security for loans.

Lease liabilities

For details of the Right of Use assets see note 12. The carrying amount of lease liabilities and movements during the year are as follows:

Lease liabilities	Land and Buildings £'000	Motor Vehicles £'000	Total £'000
At 31 December 2023	723	228	951
Additions	—	290	290
Accretion of interest	69	14	83
Payments	(169)	(130)	(299)
At 31 December 2024	**623**	**402**	**1,025**

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

	2024 £'000	2023 £'000
Current liabilities	**299**	195
Non-current liabilities	**726**	756
Total liabilities	**1,025**	951

19. Loans and borrowings CONTINUED

Contractual maturity of lease liabilities:

Lease liabilities	**2024 £'000**	2023 £'000
Up to 1 year	**299**	195
Between 1 and 5 years	**614**	384
More than 5 years	**112**	372
	1,025	951

Amounts reported in the consolidated income statement include the following (see note 6):

	2024 £'000	2023 £'000
Interest on lease liabilities	**84**	76

20. Warranty provisions

	Warranty £'000	Total £'000
Balance at 1 January 2024	3,012	3,012
Charged	493	493
Released	(752)	(752)
Movement in the year	(259)	(259)
Balance at 31 December 2024	**2,753**	**2,753**
Included in current liabilities	705	705
Included in non-current liabilities	2,048	2,048

The warranty provision represents management's best estimate of the Group's liability for warranties granted on products sold based on past experience and industry averages for defective products. The warranty provision is expected to be fully released by 31 December 2029.

21. Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of debt and equity balances. The capital structure of the Group at the year end consisted of cash and cash equivalents, loans, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Group maintains or adjusts its capital structure through the payment of dividends to shareholders, the issue of new loans, loan repayments, the issue of new shares and the buy-back of existing shares.

The Group's overall capital risk management strategy remains unchanged from the prior year.

Note 22 to the financial statements provides details regarding the Company's share capital and movements in the year. There were no breaches of any requirements with regard to any relevant conditions imposed by the Company's Articles of Association during the periods under review.

Gearing

Net cash (excluding lease liabilities) was £14,100k at 31 December 2024 (2023: £7,889k). Net cash is defined as cash and cash equivalents less short-term and long-term borrowings.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument, are disclosed in note 2 to the financial statements.

21. Financial instruments CONTINUED

Categories of financial instruments

	Carrying value	
	2024 £'000	2023 £'000
Financial assets		
Loans and receivables (including cash and cash equivalents):		
Trade receivables	**9,690**	8,896
Other receivables	**879**	1,145
Cash and cash equivalents	**14,318**	8,116
	24,887	18,157
Financial liabilities		
Other financial liabilities held at amortised cost:		
Trade payables	**4,238**	4,368
Other payables	**711**	1,984
IFRS 16 leases	**1,025**	951
Accruals	**2,564**	1,647
Loans and borrowings	**218**	227
	8,756	9,177

The Directors consider that the carrying amount of the financial assets approximates to their fair value and represents the maximum exposure to credit risk.

The Directors consider that the carrying amount of the financial liabilities approximates to their fair value.

Financial risk management objectives
The Group's approach to managing financial risk is described in the Directors' report.

Market risk
The Group's activities expose it to the financial risks of changes in foreign currency exchange rates.

Foreign currency risk management
The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	2024 £'000	2023 £'000	**2024 £'000**	2023 £'000
Swedish Krona	**288**	121	**24**	7
Euro	**295**	265	**1,078**	1,129
Danish Krone	**1,431**	934	**114**	254
US Dollar	**808**	2,028	**215**	846

At the year end the Group was exposed to fluctuations in Swedish Krona, Euros, Danish Krone and US Dollars against Sterling.

21. Financial instruments CONTINUED

The following table details the Group's sensitivity to a 10% increase or decrease in Sterling against the relevant foreign currencies. 10% represents management's assessment of a possible change in foreign currency exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A negative number below indicates a decrease in profit where Sterling strengthens against the relevant currency. For a 10% weakening in Sterling against the foreign currency, there would be an equal and opposite impact on the profit.

	2024 £'000	2023 £'000
Swedish Krona (loss)	**(26)**	(121)
Euro profit	**78**	86
Danish Krone (loss)	**(132)**	(68)
US Dollar (loss)	**(59)**	(118)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted a policy of only extending credit to creditworthy counterparties, and obtaining collateral where appropriate, as a means of mitigating risk of financial loss from defaults. The Group obtains credit checks from independent rating agencies and other publicly available financial information to rate its customers. The Group's exposure and credit ratings of its counterparties are continuously monitored. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the credit control team.

The credit risk within contracts is managed in the same way. The credit risk management of other receivables, where material, if not covered above, is handled on a case-by-case basis.

The Group has significant credit risk exposure to several single counterparties. Note 15 to the financial statements gives details of counterparties with balances in excess of 5% of total trade receivables at the year end.

Liquidity risk management

Responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and maintaining adequate banking facilities. At 31 December 2024, the Group had £nil overdraft facility (2023: £nil). As at 31 December 2024, the net bank balance, cash less overdraft, was £14,318k (2023: £8,116k).

At 31 December 2024, the Group has an invoice discounting facility with Close Brothers for £2,750k (2023: £2,750k).

Maturity of financial liabilities

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The maturity of financial liabilities table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	2024 £'000	2023 £'000
In one year or less	**7,331**	8,490
In one to two years	**418**	199

22. Share capital

Called up share capital

	2024 £'000	2023 £'000
Authorised		
16,474,491 New Ordinary Shares of 6.5p each (2023: 16,474,491 Ordinary Shares of 6.5p each)	**1,071**	1,071
87,412,500 Deferred Shares of 6.5p each (2023: 87,412,500)	**5,682**	5,682
	6,753	6,753
Issued, allotted and paid up		
16,474,491 New Ordinary Shares of 6.5p each (2023: 16,474,491 Ordinary Shares of 6.5p each)	**1,071**	1,071
87,412,500 Deferred Shares of 6.5p each (2023: 87,412,500)	**5,682**	5,682
	6,753	6,753

22. Share capital CONTINUED

Ordinary Shares are entitled to one vote each, a dividend and a return on assets.

Deferred shares are not entitled to vote or any dividends. A return on liquidation will only be made after payment has been made to the holders of Ordinary Shares of the amounts paid up on such shares and the sum of £10,000,000 in respect of each Ordinary Share.

The share premium account represents the amount received on the issue of Ordinary Shares by the Company, in excess of their nominal value and is non-distributable.

The merger reserve represents the excess over nominal value of the fair value consideration for the acquisition of subsidiaries satisfied by the issue of shares in accordance with Section 612 of the Companies Act 2006.

Share options

The Company operates share option schemes for employees and Directors of the Group. Individual options have an exercise price of the market value at date of grant or the nominal value if higher. All options are settled in equity, automatically lapse ten years after the date of grant and generally lapse if an option holder ceases to be a Group employee.

As at 31 December options under these schemes, including those held by Directors, were outstanding over:

	2024		2023	
	Options	**Weighted average exercise price**	Options	Weighted average exercise price
Outstanding at beginning of year	**782,083**	**60p**	1,074,135	69p
Issued during the year	**310,000**	**192p**	—	—
Exercised during the year	**—**	**—**	(257,502)	104p
Lapsed during the year	**—**	**—**	(35,000)	50p
Outstanding at end of year	**1,092,083**	**98p**	782,083	60p
Exercisable at end of year	**1,092,083**	**98p**	782,083	60p

The aggregate charge recognised in the Group financial statements in the year was £60,000 (2023: £22,000).

In February 2022, the vesting period increased for a tranche of the employee share options granted in 2020 from 3.75 years to 4.75 years and a tranche of the 2021 share options from 2.75 years to 3.75 years. The fair value of the options at the date of modification remained unchanged and was determined using the same models and principles as described above. These options will continue to be recognised as an expense over the period from the modification date to the end of the extended vesting period.

Directors' interests in share options

Details of options held by Directors over the Company's Ordinary Shares are set out below:

	As at 31 December 2023	Issued during the year	**As at 31 December 2024**	Exercise price	Date from which exercisable	Expiry date
R C Singleton	—	70,000	**70,000**	6.5p	18/09/2024	17/09/2034
N W Lowe	—	45,000	**45,000**	6.5p	18/09/2024	17/09/2034
N W Lowe	180,000	—	**180,000**	50p	02/04/2021	01/04/2030

The market price of the Company's shares at the end of the financial year was 283p (2023: 266p) and the range of market prices during the year was 209p to 313p (2023: 121p to 274p). The weighted average remaining life of all share options outstanding at 31 December 2024 is 6 years and 7 months (31 December 2023: 6 years and 3 months).

22. Share capital CONTINUED

The Monte Carlo simulation has been used for calculating the charge to the consolidated statement of comprehensive income for the nominal value share options. For all other options the Black Scholes model has been used to calculate the charge to the consolidated statement of comprehensive income. The inputs into the model are as follows:

Option type	Grant date	Exercise price (pence)	Share price on grant date (pence)	Expected term (years)	Vesting period (years)	Option life (years)	Expected volatility	Risk free rate
EMI	12/10/2015	104	4.38	5	3	10	146%	1.82%
EMI	02/04/2020	50	50	5	0	10	57%	1.10%
EMI	02/04/2020	50	50	5	2	10	56%	1.10%
EMI	02/04/2020	50	50	5	2.75	10	56%	1.10%
EMI	02/04/2020	50	50	5	4.75	10	56%	1.10%
EMI	21/04/2021	105	105	5	2	10	57%	1.10%
EMI	21/04/2021	105	105	5	3.75	10	57%	1.10%
CSOP	18/09/2024	301	307	5	3	10	42%	4.42%
Market Value	18/09/2024	301	307	5	3	10	42%	4.42%
Nominal Value	18/09/2024	6.5	307	3	3	10	40%	4.42%
EMI	21/04/2021	105	105	5	3.75	10	57%	1.10%

No dividend yield has been assumed for any of the above options and none of the share options' performance conditions are linked to the market price of the Company's shares.

Expected volatility was determined by calculating the historical volatility of the Company's share price over the time commensurate with the award term immediately prior to the date of grant (i.e. five years). Given the lack of past option award exercise data for the Company's share-based awards, management has assumed an expected term equal to five years for option awards with ten-year terms (a typical average input for a ten-year option scheme).

Employee Shareholder Plan

On 15 February 2015, the 21st Century Technology Employee Shareholder Plan (the 'Plan') was implemented following approval at a general meeting of the Company. Details of the B Ordinary Shares of 0.1p in the capital of Journeo Fleet Systems Ltd (formerly 21st Century Fleet Systems Limited) ('Shares' and 'Solutions', respectively) are set out below:

The Shares carry the right for the holder, to require the holder(s) of A Ordinary Shares, jointly and severally, in Solutions to acquire the Shares (the 'Put Option'). The option may be exercised:

(a) at the discretion of the Executive where a compulsory share transfer event occurs (such as a cessation of employment); and

(b) if (i) not less than three years nor more than ten years have elapsed since the Shares were acquired; and (ii) the share price of Ordinary Shares in the capital of the Company (or such other company as may then be the parent company of Solutions) is not less than 112p per share.

The price per Share payable under the Put Option shall be equal to the amount by which the market capitalisation of the Company (as determined by the middle-market price of the Company's shares averaged over the last ten dealing days preceding the valuation date) exceeds £378,787, divided by the total number of issued shares in the capital of Fleet Systems.

The price may be settled, at the discretion of the Company, in cash or by the issue or transfer of such number of Ordinary Shares in the Company to the relevant value, calculated by reference to the middle-market price of the Company's shares averaged over the last ten dealing days preceding the valuation date. Should the Company exercise its discretion described above and issue the Executives with Ordinary Shares in the Company in exchange for the Shares in Solutions, the Executives' holdings in the Company would represent, following the same allotment, 7% of the fully diluted share capital of the Company.

Directors' interests in the Employee Shareholder Plan

	As at 31 December 2023 & 2024	Exercise price	Date from which exercisable	Expiry date
21st Century Technology Employee Shareholder Plan				
R C Singleton	100	112p	13/02/2018	13/02/2025

Financial Statements

22. Share capital CONTINUED

Although the employee shares awarded under the Plan are not strictly share options, they have the same characteristics as premium-priced share options. Accordingly, the Plan is accounted for in accordance with IFRS 2 'Share-based Payment' using a Black Scholes option pricing model to give a proxy for the fair value of the services provided by the Executives, the key inputs to which are:

Option type	Grant date	Exercise price (pence)	Share price on grant date (pence)	Expected term (years)	Vesting period (years)	Option life (years)	Expected volatility	Risk free rate
Employee Shareholder Plan	13/02/2015	104	4.88	5	3	10	139%	1.68%

No dividend yield has been assumed for any of the above options and none of the share options' performance conditions are linked to the market price of the Company's shares.

23. Financial commitments

At 31 December 2024, the Group had total commitments under non-cancellable operating leases not accounted for under IFRS 16 as follows:

	2024 £'000	2023 £'000
Due within one year	**–**	43
	–	43

24. Related party transactions

Payments to key management personnel are included in note 5.

There are no other related party transactions.

Subsidiaries

Transactions between the Company and its subsidiaries are eliminated on consolidation and therefore not disclosed.

25. Post balance sheet events

On 29 January 2025, 477,187 new Ordinary Shares were issued and admitted to trading on AIM.

On 31 January 2025, 18,750 new Ordinary Shares were issued and admitted to trading on AIM.

Company statement of financial position

at 31 December 2024

	Notes	**2024 £'000**	2023 (as restated) £'000
Assets			
Non-current assets			
Property, plant and equipment	3	**1**	2
Investment in subsidiaries	4	**15,676**	15,676
		15,677	15,678
Current assets			
Other debtors		**50**	23
Cash and cash equivalents		**1**	2
		51	25
Total assets		**15,728**	15,703
Equity and liabilities			
Shareholders' equity			
Share capital	7	**6,753**	6,753
Share premium account		**8,266**	8,266
Merger reserve		**1,001**	1,001
Retained earnings		**(3,885)**	(3,669)
Shareholders' funds		**12,135**	12,351
Current liabilities			
Amounts owed to Group undertakings		**3,310**	2,021
Other creditors and accruals	5	**283**	1,331
		3,593	3,352
Total equity and liabilities		**15,728**	15,703

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account for the year. Journeo plc reported a loss for the financial year ended 31 December 2024 of £274,000 (2023: loss of £161,000). The financial statements were approved by the Board of Directors and authorised for issue on 25 March 2025 and were signed on its behalf by:

M W Elliott
Non-executive Chairman

R C Singleton
Chief Executive

Registered number: 02974642

The notes on pages 85 to 90 form part of these parent company financial statements.

Company statement of changes in equity

for the year ended 31 December 2024

	Share capital £'000	Share premium account £'000	Merger reserve £'000	Retained earnings (as restated) £'000	Total equity shareholders' funds £'000
Balance at 1 January 2023	6,250	1,174	1,001	(3,530)	4,895
Loss and total comprehensive expense for the year	—	—	—	(161)	(161)
Proceeds from issue of new shares	503	7,092	—	—	7,595
Share-based payments	—	—	—	22	22
Balance at 31 December 2023	6,753	8,266	1,001	(3,669)	12,351
Loss and total comprehensive expense for the year	—	—	—	(274)	(274)
Share-based payments	—	—	—	60	60
Balance at 31 December 2024	**6,753**	**8,266**	**1,001**	**(3,883)**	**12,137**

The notes on pages 85 to 90 form part of these parent company financial statements.

Notes to the Company financial statements

for the year ended 31 December 2024

1. Significant accounting policies applied to the individual entity financial statements of the Company

Statement of compliance

The separate financial statements of the Company are presented in accordance with Financial Reporting Standard 101 'The Reduced Disclosure Framework'. They have been prepared under the historic cost convention, except financial instruments and share options, which have been prepared in accordance with IFRS 9 and IFRS 2 respectively. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently throughout the year.

The numbers in the financial statements are rounded in £'000 for presentation purposes for year ended 31 December 2024 with prior year comparatives being for the year ended 31 December 2023.

This Company is included in the consolidated financial statements of Journeo plc for the year ended 31 December 2024. These accounts are available from the registered address of the Company.

Disclosure exemptions applied

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101, paragraph 8:

(i) The requirement of IFRS 7 'Financial Instruments: Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;

(ii) The applicable requirements of IAS 36 'Impairment of Assets' relating to the disclosures of estimates used to measure recoverable amounts;

(iii) The applicable requirements of IAS 1 'Presentation of Financial Statements' relating to the disclosure of comparative information in respect of the number of shares outstanding at the beginning and end of the year (IAS 1.79a, iv), the reconciliation of the carrying amount of property, plant and equipment (IAS 16.73e) and the reconciliation of the carrying amount of intangible assets (IAS 38.118e);

(iv) The requirement of IAS 1 'Presentation of Financial Statements' paragraphs 134 to 136 relating to the disclosure of capital management policies and objectives;

(v) The requirements of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a cash flow statement; and

(vi) The requirements of paragraph 45(b) and 45-52 of IFRS 2 'Share-based Payments' because the share-based payment arrangement concerns instruments of a Group entity.

Basis of preparation

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were:

(i) Note 4 – Investments in subsidiaries

Determining whether investments are impaired requires an estimation of the value-in-use of the cash generating units to which the investments relate. The value-in-use calculation requires the Company to estimate future cash flows expected to arise from the cash generating unit at a suitable discount rate in order to calculate the present value. Discount rates of 13% and 14% are applied to the cash flow forecasts from the most recent financial budgets and long-term plans which are extrapolated in perpetuity assuming no growth beyond five years.

Prior year restatement

The Directors have restated the loss for the year ended 31st December 2023 of £327,000 to £161,000 to more fairly reflect a transaction between the company and one of its subsidiaries, with adjustments made to administrative expenses and amounts due from Group undertakings. As a result of this the retained earnings for 31st December 2023 has changed from a loss of £3,904,000 to £3,669,000 with a corresponding change in the net assets.

Going concern

The Company shares financial resources within the Journeo plc Group, and the Directors have therefore considered Group level financial projections when considering going concern.

The Group's business activities, together with factors likely to affect its future development, performance and position, are set out in the Strategic Report along with the principal risks and uncertainties.

The Group's net underlying profit for the year was £4,825k (2023: £4,284k). As at 31 December 2024, the Group had net current assets of £16,519k (2023: £10,407k) and net cash reserves of £14,318k (2023: £8,116k).

The Directors have prepared Group cash flow projections for the period to 30 June 2026 based on latest forecasts that show that the Group will be able to operate within the Group current funding resources with significant headroom.

1. Significant accounting policies applied to the individual entity financial statements of the Company CONTINUED

As with all businesses there are particular times of the year where our working capital requirements are at their peak. The Group is well-placed to manage these business risks effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed. The Directors also monitor a rolling cash flow forecast, and key management review working capital movements and requirements on a daily basis.

The projections, taking account of reasonably possible changes in trading performance, indicate that the Group will operate within available facilities throughout the projection period and therefore, based on these projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of these financial statements. The Directors therefore continue to adopt the going concern basis in preparing the financial statements.

Investments

Fixed asset investments in subsidiaries are shown at cost less provision for impairment.

Financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturity of less than or equal to three months and are measured on initial recognition at their fair value and subsequently at amortised cost.

Loans and receivables and other financial liabilities

Trade receivables and trade payables are measured on initial recognition which is the trade date, at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable trade receivables are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

Loans are initially recognised at the fair value of the proceeds and are classified as current liabilities unless the Group has an unconditional right to defer settlement for at least one year after the balance sheet date.

Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the statement of comprehensive income.

Share capital and share premium

Ordinary Shares are classified as equity. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Merger reserve

The merger reserve arose on a historical acquisition prior to 1 January 2015 and has been maintained under an FRS 101 transition exemption.

Impairment

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, estimates are made of the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value, less costs to sell, and value-in-use. In assessing value-in-use, estimated future cash flows are discounted to their present value using a discount rate appropriate to the specific asset or CGU and by comparing the internal rate of return generated by the cash flows to target return rates established by management. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying value of the asset or CGU is reduced to its recoverable amount. Impairment losses are recognised immediately in the statement of comprehensive income.

1. Significant accounting policies applied to the individual entity financial statements of the Company CONTINUED

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if that impairment loss had not been recognised. Impairment losses in respect of goodwill are not reversed.

2. Loss for the year

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account for the year. Journeo plc reported a loss for the financial year ended 31 December 2024 of £274,000 (2023: loss of £161,000).

The Company has an unrecognised deferred tax asset of:

	2024 **£'000**	2023 £'000
Tax losses	**199**	703

The Auditor's remuneration for the audit and other services is disclosed in note 7 to the Group financial statements.

The Directors' remuneration is disclosed in note 5 to the Group financial statements.

3. Property, plant and equipment

	Leasehold improvements £'000	Plant and equipment £'000	Total £'000
Cost			
At 1 January 2024	12	6	18
At 31 December 2024	**12**	**6**	**18**
Depreciation			
At 1 January 2024	12	4	16
Charge for the year	—	1	1
At 31 December 2024	**12**	**5**	**17**
Net book amounts			
At 31 December 2024	**—**	**1**	**1**
At 31 December 2023	—	2	2

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4. Investments in subsidiaries

	Interests in Group undertakings	
	2024 £'000	2023 £'000
Cost		
At 1 January	**36,805**	27,367
Additions	**—**	8,718
At 31 December	**36,085**	36,085
Amounts provided		
At 1 January	**(20,409)**	(20,409)
At 31 December	**(20,409)**	(20,409)
Net book amounts	**15,676**	15,676

The Group tests investments annually for impairment as at 31 December, or more frequently if there are indications that investments might be impaired.

The assessment is based on the net assets of the Group combined with the net present value of the cash flow projections for Fleet Systems, Infotec and Passenger Systems based on financial budgets and business plans approved by the Directors covering a five-year period. Cash flows beyond that period have been extrapolated in perpetuity assuming no growth, which the Directors consider to be a conservative approach.

The key assumptions for the calculations are those regarding discount rates and sales forecasts. The discount rates are as follows:

	2024 %	2023 %
Fleet Systems	**13**	14
Infotec	**13**	13
Passenger Systems	**13**	13

The discount rates used are based on the Board's judgement considering macroeconomic factors and reflecting specific risks in each segment such as the nature of the market served, the concentration of customers, cost profiles and barriers to entry.

The net assets of the Group and the net present value of the cash flow projections of Fleet Systems, Infotec and Passenger Systems support the current carrying value of the investment.

4. Investments in subsidiaries CONTINUED

Subsidiary undertakings

Details of the Company's subsidiary undertakings at 31 December 2024 are as follows:

Name of undertaking	Nature of business	Country of incorporation
Direct subsidiaries		
Journeo Fleet Systems Limited	Sale and installation of CCTV and other monitoring devices	UK
Journeo AB	CCTV installation and project management	Sweden
21st Century Crime Prevention Services Limited	Dormant	UK
21st Century Technology Group Limited	Dormant	UK
Bridge Alert Limited	Dormant	UK
Ecomanager Limited	Dormant	UK
Integrated Technologies (International) Limited	Dormant	UK
21st Century Technology Limited	Dormant	UK
21st Century Fleet Systems Limited	Dormant	UK
IGL Limited	Holding company of Infotec Limited	UK
Linefit Engineering Limited	Dormant	UK
Second Base Systems Limited	Dormant	UK
21st Century Passenger Systems Limited	Dormant	UK
ServiceManager Limited	Dormant	UK
Sextons Group Limited	Dormant	UK
Toad Innovations Limited	Dormant	UK
Toad Limited	Dormant	UK
21st Century Integrated Systems Limited	Holding company of Region Services Group	UK
Indirect subsidiaries		
Journeo Passenger Systems Limited	Sale, manufacture and installation of passenger systems	UK
Infotec Holdings Limited	Holding company of Infotec Group	UK
Infotec Limited	Sale, manufacture and installation of rail passenger systems	UK
Journeo A/S (formerly known as MultiQ Denmark A/S)	Sale and installation of CCTV and other monitoring devices Sale, manufacture and installation of passenger systems	Denmark
RSL Cityspace Limited	Sale and service of information kiosks	UK
RSL Street Net Limited	Dormant	UK
Cityspace Limited	Dormant	UK

All subsidiaries are wholly owned except the 70%-owned Integrated Technologies (International) Limited. All UK subsidiaries' registered office address is the same as the Company; 12 Charter Point Way, Ashby-de-la-Zouch, LE65 1NF except Linefit Engineering Limited, registered office 272 Bath Street, Glasgow, G2 4JR.

IGL Limited has a year end of 30 September. This Company is not audited and is subject to parental guarantees.

Journeo AB registered office is at Varuvägen 9, 125 30 Älvsjö, Sweden.

Journeo A/S registered office is Fabrikvej 11, 8260 Viby J, Denmark.

5. Amounts owed to Group undertakings

The amounts owed to Group undertakings are interest free and repayable upon demand.

6. Employee information

The Company had no direct employees in the years ended 31 December 2024 and 31 December 2023.

7. Share capital

Called up share capital

	2024 £'000	2023 £'000
Authorised		
16,474,491 New Ordinary Shares of 6.5p each (2023: 16,474,491 Ordinary Shares of 6.5p each)	**1,071**	1,071
87,412,500 Deferred Shares of 6.5p each (2023: 87,412,500)	**5,682**	5,682
	6,753	6,753
Issued, allotted and paid up		
16,474,491 New Ordinary Shares of 6.5p each (2023: 16,474,491 Ordinary Shares of 6.5p each)	**1,071**	1,071
87,412,500 Deferred Shares of 6.5p each (2022: 87,412,500)	**5,682**	5,682
	6,753	6,753

Ordinary Shares are entitled to one vote each, a dividend and a return on assets.

Deferred Shares are not entitled to vote or any dividends. A return on liquidation will only be made after payment has been made to the holders of Ordinary Shares of the amounts paid up on such shares and the sum of £10,000,000 in respect of each Ordinary Share.

The share premium account represents the amount received on the issue of Ordinary Shares by the Company, in excess of their nominal value, and is non-distributable.

The merger reserve represents the excess over nominal value of the fair value consideration for the acquisition of subsidiaries satisfied by the issue of shares in accordance with Section 612 of the Companies Act 2006.

Corporate information

DIRECTORS

Non-executive Chairman
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Non-executive Directors
J Cumming
B Kent

Executive Directors
R C Singleton
N W Lowe

Company Secretary
N W Lowe

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