Peel Hunt Limited

Full-Year Results for the year ended 31 March 2026

Strong financial performance with record Investment Banking results

Peel Hunt Limited ("Peel Hunt" or the "Company") together with its subsidiaries (the "Group") today announces audited results for the year ended 31 March 2026 ("FY26").

Steven Fine, Chief Executive Officer, said:

"*We delivered one of the best revenue performances in the history of the Group, with Investment Banking achieving its highest ever revenue. This is thanks to our exceptional people, growing recognition of our M&A advisory capability and the continued strength of our Execution Services business. Our position as a leading adviser to UK-listed companies continues to be reflected in the quality of both the mandates we win and our retained client base. We have taken decisive action on costs and are operating a leaner, more efficient platform. While the external environment remains uncertain, we are well positioned to benefit as conditions improve.*"

Highlights

- Overall performance
  - Revenue for FY26 was up by 57.1% year-on-year to £143.5m (FY25: £91.3m), supported by improved performance across all business areas.
  - We continued to manage costs carefully, embedding a tightly controlled, leaner and more efficient operating model.
  - Profit before tax (PBT) of £21.1m (FY25: loss before tax £3.5m), and adjusted PBT of £32.0m (FY25: adjusted PBT £0.8m).
- Strong balance sheet
  - Net assets of £108.5m (FY25: £88.7m) and cash balances of £36.9m (FY25: £20.4m).
  - Capital base remains comfortably in excess of minimum regulatory requirements.
- Business division performance
  - **Investment Banking** revenue was £67.1m (FY25: £31.5m), driven by an exceptional M&A performance. We continued to evolve our client base, ending the year with the same number of clients, including 62 FTSE 350 clients, despite significant M&A-related client attrition with the average market capitalisation across our client base growing again, up by 30% to over £1,130m. Our unwavering focus on excellence in client service has been instrumental in retaining existing clients and in attracting new mandates and reinforcing Peel Hunt's position as the pre-eminent adviser to mid-cap and growth companies in the UK.
  - **Execution Services** revenue increased to £47.8m (FY25: £33.7m), benefiting from market volatility and continued investment in proprietary trading technology.
  - **Research & Distribution** revenue increased to £28.6m (FY25: £26.1m), a second consecutive year of revenue growth and a resilient performance given wider economic turbulence.
- Strategic progress
  - Our diversification strategy delivered clear benefits this year, with M&A activity contributing a significant majority of Investment Banking deal fees.
  - We continued to invest in technology, enhancing our connectivity to markets and broadening our trading capabilities.
  - We expanded our international distribution through the opening of our Abu Dhabi office, providing access to deeper pools of global capital for our clients. We now operate one of the largest global salesforces dedicated to UK-listed companies.

    - We further developed differentiated research products and insights to support client decision-making.
- We continued to work with industry bodies on a range of initiatives aimed at strengthening UK equity capital markets.
- The Board is pleased to recommend a final dividend for the year of 4.9p per share.

Outlook

While markets remain supportive of high quality transactions, renewed global inflationary pressures, the volatile outlook for benchmark interest rates and increased domestic political uncertainty have all weighed on UK market confidence and therefore transactional activity since the start of our financial year. A sustained recovery in UK ECM, IPO and M&A activity will inevitably depend on greater macroeconomic stability and the pace at which confidence rebuilds.

We remain focused on disciplined cost and capital management and delivering sustainable returns throughout the market cycle, while continuing to strengthen our position as a leading adviser to UK mid-cap and growth companies. We are pursuing initiatives to enhance market share, broaden the range of asset classes traded within our Execution Services business and develop adjacent opportunities to further diversify revenues across the Group.

Key statistics

Financial highlights	**2026**	**2025**	**Change**
Revenue	£143.5m	£91.3m	57.1%
Profit/(loss) before tax	£21.1m	£(3.5)m	702.9%
Adjusted profit before tax[(1)]	£32.0m	£0.8m	3,900.0%
Basic EPS	12.9p	(2.3)p	660.9%
Dividend	4.9p	-	100%
Compensation ratio	56.3%	60.8%	(4.5)ppts
Adjusted compensation ratio[(2)]	48.7%	56.7%	(8.0)ppts
Operational highlights			
Cash and cash equivalents	£36.9m	£20.4m	80.9%
Net assets	£108.5m	£88.7m	22.3%
Corporate clients	147	147	0.0%
Average market cap of clients	£1,130.0m	£869.3m	30.0%

Note:

(1) Adjusted profit before tax is a non-statutory measure, which shows the underlying performance of the Group less share-based payment charges and exceptional items totalling £10.9m (FY25: £4.2m). Share-based payment charges for the year were £7.8m (FY25: £1.7m) with exceptional items including staff restructuring costs of £3.1m.

(2) Adjusted compensation ratio is calculated as adjusted staff costs divided by revenue. Adjusted staff costs is calculated as staff costs less share-based payments charges of £7.8m (FY25: £1.7m) and exceptional items (staff restructuring costs) amounting to £3.1m (FY25: £2.0m).

For further information, please contact:

Peel Hunt: via Sodali & Co
Steven Fine, CEO
Michael Lee, COO
Billy Neve, Group Finance Director

Sodali & Co (Financial PR): +44 (0)20 7100 6451
peelhunt@sodali.com

Grant Thornton UK LLP (Nominated Adviser): +44 (0)20 7383 5100
Philip Secrett
Colin Aaronson
Elliot Peters

Keefe, Bruyette & Woods (Corporate Broker): +44 (0)20 7710 7600
Alistair McKay
Alberto Moreno Blasco
Fred Walsh

Notes to editors

Peel Hunt is a leading international investment bank specialising in supporting UK mid-cap and growth companies. It provides integrated investment banking advice and services to UK corporates, including equity capital markets, private capital markets, M&A, debt advisory, investor relations and corporate broking. The Company's joined up approach combines these services with expert research and distribution and an execution services hub that provides liquidity to the UK capital markets, delivering value to global institutions and trading counterparties alike. The Company is admitted to trading on AIM (LON: PEEL) and has offices in London, New York, Copenhagen and Abu Dhabi.

Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements sometimes use words such as 'may', 'will', 'could', 'seek', 'continue', 'aim', 'anticipate', 'target', 'project', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve' or other words of similar meaning. Past performance is no guide to future performance and any forward-looking statements and forecasts are based on current expectations and assumptions but relate to events and depend upon circumstances in the future and you should not place reliance on them. These statements and forecasts are subject to various risks and uncertainties and there are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts.

The forward-looking statements contained in this document speak only as of the date of this announcement and (except as required by applicable regulations or by law) Peel Hunt does not undertake to publicly update or review any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this announcement constitutes or should be construed as constituting a profit forecast.

No offer of securities

The information, statements and opinions contained in this announcement do not constitute or form part of, and should not be construed as, any public offer under any applicable legislation, or an offer, or solicitation of an offer, to buy or sell any securities or financial instruments in any jurisdiction, or any advice or recommendation with respect to any securities or financial instruments.

OPERATING AND FINANCIAL REVIEW

The Group delivered full-year revenue of £143.5m in FY26 (FY25: £91.3m), building on the strong momentum we reported in our half-year results. Revenue grew across the organisation, with all business areas delivering year-on-year increases. This was supported by diversified M&A and advisory income, our high-quality corporate client base, capitalising on opportunities in Execution Services together with continued progress in Research & Distribution, all driven by stronger client engagement. These results also reflect a moderately improved macroeconomic backdrop, with easing inflation, lower interest rates, increased UK economic stability and a measured rise in equity market sentiment supporting stronger client activity.

Group revenue comprises the following:

	FY26 £'000	FY25 £'000	% change
Investment Banking revenue	**67,092**	31,526	112.8%
Execution Services revenue	**47,772**	33,673	41.9%
Research & Distribution revenue	**28,592**	26,108	9.5%
Total revenue for the year	**143,456**	91,307	57.1%

Investment Banking

	FY26 £'000	FY25 £'000	% change
Investment Banking fees	**57,931**	22,890	153.1%
Investment Banking retainers	**9,161**	8,636	6.1%
Investment Banking revenue	**67,092**	31,526	112.8%

FY26 was a year of strong performance for our Investment Banking team, delivered against a difficult capital market backdrop. Despite the headwinds, the strength of our corporate client base and our increased focus on building our financial advisory capabilities delivered a 112.8% rise in revenue to £67.1m (FY25: £31.5m), with a significant portion of the total deal fees coming from M&A transactions.

We significantly evolved our client base this year, despite a shrinking pool of UK-listed companies. We now act as a trusted partner to 147 corporate clients, increasing the average market capitalisation of our client base by 30% to £1,130m. We added one FTSE 100 and seven FTSE 250 clients to our roster during the year, taking our overall FTSE 350 client base to a record 62, despite M&A takeover activity offsetting the total increase. Our client base reflects the strength of our brand, with clients valuing our expertise, connectivity and stability. We grew our market share again during the year, as difficult market conditions drove consolidation and strategic changes among our competitors; our ability to provide high quality advice from a stable platform remains a core differentiator for our business.

We saw the benefits of our diversification strategy this year, with exceptional performance in our M&A advisory franchise. We acted on a number of major public M&A transactions, both on the buy- and sell-side, and across multiple sectors. The growth of our M&A franchise is a result of close collaboration between our sector and product teams, which gives us market-leading insights into UK-listed companies and their shareholders. This integrated approach means we are well placed to advise clients in M&A situations, providing expert advice on the strategy, valuation and structuring considerations around different takeover or activist situations, alongside detailed market intelligence and knowledge of institutional viewpoints. Our ability to be relevant in M&A situations, both on the buy- and sell-side, supports a more balanced, resilient business that is better able to make the most of opportunities throughout the market cycle.

M&A aside, wider ECM market activity has remained muted, reflecting persistently difficult market conditions in the UK. Activity levels remain constrained by economic and geopolitical factors, and

companies are transacting far less frequently than historic levels. Despite this, the business delivered a resilient performance, and we continue to outperform the broader market. We acted on the UK's largest IPO of 2025, and we participated in a significant number of other capital raises and block trades. Our ability to deliver these transactions successfully, despite the market conditions, demonstrates the overall strength of our distribution capabilities and our ability to access capital from both UK and international investors via our offices in London, New York, Copenhagen and Abu Dhabi.

While general IPO activity remains relatively subdued in the UK, we hope to see this pick up in FY27. We are confident that our deep relationships with relevant private companies and their owners, as well as our ability to connect with a broad range of UK and international investors, will enable us to play a leading role in the revival of the UK IPO market over time.

Our people remain central to our success and we continue to foster a culture of excellence and collaboration. We have significantly evolved the team structure over the past five years, giving us a more sustainable balance of experience across our sector and product teams. We also continue to embrace new technologies, including our own in-house data applications, as well as AI tools designed to enhance productivity.

For FY27, our priority remains to act as a trusted adviser, to deepen our advisory capabilities and to position ourselves as the UK mid-cap investment bank of choice for aspiring companies. We will continue to deliver an excellent service to our clients, and believe we are well placed to capitalise on opportunities as they arise.

Execution Services

	FY26 £'000	FY25 £'000	% change
Execution Services revenue	**47,772**	33,673	41.9%

Our Execution Services team performed well this year, with a significantly increased revenue from the prior year despite ever-increasing competition in our liquidity pools and a complex geopolitical backdrop. This is thanks to our great people and strong performance across our trading desks.

Technology continues to drive our progress, strengthening our connectivity to markets and broadening our trading capabilities. Our traders work closely with our Technology team to unlock incremental liquidity through enhanced capabilities, while our continued investment in tech-enabled solutions increases our ability to access key liquidity pools. We continue to refine our proprietary trading tool, Peel Hunt Automated Trading (PHAT), every year to maintain rapid access to liquidity for our counterparties and clients.

Against a backdrop of rising global trading flows and ongoing reductions in the number of UK companies that are listed on public markets, our clients trust our consistency and ability to adapt to an ever-changing environment. Our strong focus on optimising the allocation of our capital allows us to maximise the overall rate of return, and we continue to adjust to tighter spreads and reduced margins by diversifying our offering to access incremental liquidity pools.

Looking ahead to FY27, our focus remains the same: to continue delivering our strategic priority to be a key liquidity provider across a range of markets, while extending our strong market share, all supported by ongoing key investments in technology and our people. In doing so, we can ensure we are well positioned for any improvements and opportunities in the trading cycle.

Research & Distribution

	FY26 £'000	FY25 £'000	% change
Research payments and execution commission	**28,592**	26,108	9.5%

Our business remained resilient in FY26, with moderately increased revenues. This is a good outcome given wider economic turbulence that included unpredictable US policies and market uncertainty in the run-up to the UK government's 2025 Autumn Budget. Throughout the period, our research analysts and salespeople responded quickly, providing clients with analysis on the likely implications for sectors and companies under our coverage.

During the year, we made several important structural changes across our Research and Equities teams to further improve our high-performance culture, including key internal leadership promotions and a new management group. These changes have increased collaboration between our divisions, as well as facilitating cross-departmental moves, which help us retain top talent. Whilst we find ways to be as efficient as possible, we continued to invest carefully in our people. This included targeted, high-quality hires, and a new Equities graduate programme.

In November 2025, we opened our new office in Abu Dhabi, UAE, to continue expanding our international distribution capabilities and deepen our liquidity reach. We have grown the total commission revenue generated across our international offices during the year. Meanwhile, our unified sales team sets us apart from our competitors, unlocking global pools of capital for investment in the UK, while offering our clients investor engagement internationally.

We saw this advantage in action in FY26, with the strength of our Research & Distribution division pivotal to us acting on the largest UK IPO of 2025. It also underpinned several capital markets transactions, including a significant capital raise for Coats Group plc. Client wins in the year mean we continue to expand the breadth of our market connectivity and the strength of our institutional relationships, and we now have a record number of FTSE 350 clients.

We remain committed to investing in technology, AI, multimedia and thematic products, and have developed a number of bespoke products that enhance our insights for clients. For example, we publish a quarterly 'IPO Speedometer', a collaborative effort between our Research and Investment Banking teams, which uses a proprietary model to numerically score the health of the UK IPO market. The speedometer has been well received by clients and we have held many productive conversations with them on the topic. We also expanded our multimedia products and use of social media channels to provide additional insights and broaden our reach.

Our profile has grown considerably in recent years thanks to our clear vision for how to enhance growth and increase investment in the UK. We continue to advocate for policy change from the UK government and industry regulators, led by Steven Fine, our Chief Executive, and Charles Hall, our Head of Research, supported by our Chief Economist & Deputy Head of Research, Kallum Pickering, who helps raise our profile and engagement with key decision makers. We remain committed to this work and are pleased to see tangible change occurring in the FCA's growth and competitiveness agenda.

We want to be the partner of choice for investment in UK companies, so for FY27 we will continue to support our clients' needs and expand our international distribution capabilities.

Other financial information

Operating costs

	FY26 £'000	FY25 £'000	% change
Staff costs	**80,770**	55,490	45.6%
Non staff costs	**39,274**	38,401	2.3%
Total administration costs	**120,044**	93,891	27.9%
Compensation ratio	**56.3%**	60.8%	(4.5)ppts
Period-end headcount	**265**	287	(7.7)%
Average headcount	**267**	298	(10.4)%
Adjusted staff costs[(1)]	**69,902**	51,755	35.1%
Adjusted admin costs[(1)]	**109,176**	90,156	21.1%
Adjusted compensation ratio[(2)]	**48.7%**	56.7%	(8.0)ppts

(1) Adjusted staff costs and adjusted admin costs are measures calculated as staff costs less share-based payments charges of £7.8m (FY25: £1.7m) and exceptional items (staff restructuring costs) amounting to £3.1m (FY25: £2.0m).
(2) Adjusted compensation ratio is calculated as adjusted staff costs divided by revenue.

We kept a tight control on operating costs throughout FY26 as we continued to focus on delivering sustainable profitability through the cycle. As a result of our restructuring activities in FY25, average headcount in FY26 was 10.4% lower compared with FY25.

Adjusted staff costs increased year on year, reflecting accrued variable compensation linked to Group profitability. Our compensation ratio decreased, reflecting our careful cost management and improved business performance.

Inflationary pressure in key technology and supplier contracts led to only a marginal increase in non-staff expenditure year on year as a result of targeted contract reviews and disciplined discretionary spend. We also renewed a lease that enables us to sublet surplus office space, potentially offsetting a portion of the increase in lease costs and preserving flexibility to scale our business as we deliver our strategic priorities.

Our ongoing commitment to disciplined cost management has strengthened profitability and facilitated the operational leverage that we have worked to build into the business. This will continue to remain central to maintaining a resilient and scalable platform.

Profit and loss

Our growth in revenue, combined with tight cost controls, led to profit before tax of £21.1m (FY25: £(3.5)m), and adjusted profit before tax of £32.0m (FY25: £0.8m), which excludes exceptional items and share-based payments.

EPS increased by 660.9% to 12.9p (FY25: (2.3)p).

Strategic investments

While mindful of costs, we continued to invest selectively in initiatives that strengthen our commercial capabilities, enhance scalability and support long-term growth. We also reviewed potential future funding options, with the aim of maintaining sufficient financial flexibility to support planned growth and to respond pragmatically to future strategic opportunities.

This year we opened Peel Hunt Middle East Limited in Abu Dhabi, UAE, further expanding our operating footprint and strengthening our international distribution capabilities, in a key region for global capital flows.

In Q1 FY26, RetailBook successfully completed an equity fundraise, reducing the Group's equity interest to 34.6%. As a result, Retail Book Holdings Limited and Retail Book Limited are no longer recognised as subsidiaries and are no longer consolidated in the Group's financial statements. Their assets and liabilities (including non-controlling interests) have been derecognised and we now report RetailBook as an investment in associate. RetailBook remains a key strategic investment for the Group. These investments, as in prior years, are made whilst maintaining all regulatory requirements and a continued strong control environment.

Balance sheet

The Group maintained a strong balance sheet throughout the year with net assets of £108.5m as at 31 March 2026 (FY25: £88.7m).

By taking a disciplined approach to capital allocation, we ensured that our investment, risk appetite and growth initiatives were appropriately funded while maintaining risk exposures and meeting all regulatory expectations. Our Own Funds Coverage over net assets decreased to 398% as at 31 March 2026 (FY25: 417%).

The Company carried out a year-end impairment assessment of its investments in subsidiaries and associates. This review identified no impairments. £1.3m share of loss from associate was recognised during the year in relation to RetailBook. In addition, the Group recognised £0.1m loss on the derecognition of RetailBook ownership interest not owned by the Group.

Capital and liquidity

Towards the end of the year, we reviewed the Group's long-term debt facilities. Following this, we secured a £20.0m loan facility, drawing £10.0m before year end. This capital was deployed into the trading book to support higher future returns. The Group renewed the existing £20m revolving credit facility and continued to have access to a £10m overdraft facility, providing additional financial flexibility.

The strength of our balance sheet enabled us to continue to invest in our trading book – this strategic deployment of capital has delivered a higher rate of return, compared with last year. This reinforces our commitment and ability to dynamically manage capital in changing market conditions in order to maximise shareholder value.

The Group maintained capital and liquidity positions comfortably above regulatory requirements. This reflects strong governance and active liquidity planning, which continues to support our ongoing business needs and future growth aspirations. Stress-testing under a range of scenarios confirmed the resilience of our balance sheet and the sustainability of our capital resources.

Dividend

The Board has recommended a final dividend for the year of 4.9p per share (FY25: £nil). The dividend is consistent with the policy set out at the time of our IPO and, subject to approval at our AGM, will be paid on 31 July 2026 to shareholders whose names appear on the share register at 26 June 2026.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

Audited for the year ended 31 March 2026

Continuing activities	Note	**Consolidated Year ended 31 March 2026 £'000**	Consolidated Year ended 31 March 2025 £'000
Revenue	2	**143,456**	91,307
Administrative expenses		**(120,044)**	(93,891)
Profit/(loss) from operations		**23,412**	(2,584)
Finance income	4	**999**	1,495
Finance expense	4	**(2,115)**	(2,105)
Other income		**221**	235
Profit/(loss) before share of associate for the year		**22,517**	(2,959)
Share of loss from associate		**(1,415)**	(538)
Profit/(loss) before tax for the year		**21,102**	(3,497)
Tax	5	**(6,189)**	(83)
Profit/(loss) for the year		**14,913**	(3,580)
Other comprehensive income/(expense) for the year		**-**	-
Total comprehensive income/(expense) for the year		**14,913**	(3,580)
Attributable to:			
Owners of the Company		**14,913**	(2,728)
Non-controlling interests		**-**	(852)
Profit/(loss) for the year		**14,913**	(3,580)
Attributable to:			
Owners of the Company		**14,913**	(2,728)
Non-controlling interests		**-**	(852)
Total comprehensive income/(expense) for the year		**14,913**	(3,580)
Profit/(loss) per share – attributable to owners of the Company			
Basic	8	**12.9p**	(2.3)p
Diluted	8	**11.7p**	(2.3)p

Consolidated Statements of Financial Position

Audited as at 31 March 2026

	Consolidated As at 31 March 2026 £'000	Consolidated As at 31 March 2025 £'000
Company Number – 65579		
ASSETS		
Non-current assets		
Property, plant and equipment	**5,104**	5,715
Intangible assets	**393**	1,658
Investment in associates	**1,639**	-
Right-of-use assets	**18,385**	12,069
Deferred tax asset	**2,150**	472
Total non-current assets	**27,671**	19,914
Current assets		
Securities held for trading	**87,644**	68,539
Market and client debtors	**642,281**	496,029
Trade and other debtors	**17,363**	20,042
Cash and cash equivalents	**36,856**	20,395
Total current assets	**784,144**	605,005
LIABILITIES		
Current liabilities		
Securities held for trading	**(63,439)**	(53,770)
Market and client creditors	**(575,287)**	(447,146)
Trade and other creditors	**(30,724)**	(8,859)
Revolving credit facility	**-**	-
Lease liabilities	**(449)**	(2,983)
Long-term loans	**(3,333)**	(6,000)
Provisions	**(495)**	(611)
Total current liabilities	**(673,727)**	(519,369)
Net current assets	**110,417**	85,636
Non-current liabilities		
Long-term loans	**(6,667)**	(3,000)
Lease liabilities	**(22,936)**	(13,833)
Total non-current liabilities	**(29,603)**	(16,833)
Net assets	**108,485**	88,717
EQUITY		
Ordinary share capital	**40,099**	40,099
Other reserves	**68,386**	47,895
Total shareholders' equity	**108,485**	87,994
Non-controlling interests	**-**	723
Total equity	**108,485**	88,717

Consolidated Statement of Changes in Equity

Audited for the year ended 31 March 2026

Group	Ordinary share capital £'000	Other reserves £'000	Total shareholders' equity £'000	Non-controlling interest £'000	Total equity £'000
Balance as at 1 April 2024	**40,099**	**50,076**	**90,175**	**1,575**	**91,750**
Loss for the year	-	(2,728)	(2,728)	(852)	(3,580)
Other comprehensive income	-	-	-	-	-
Total comprehensive expense	-	(2,728)	(2,728)	(852)	(3,580)
Transactions with owners					
Equity-settled share-based payments reserve	-	1,521	1,521	-	1,521
Net movement in Company shares	-	(974)	(974)	-	(974)
Balance as at 31 March 2025	**40,099**	**47,895**	**87,994**	**723**	**88,717**
Profit for the year	-	14,913	14,913	-	14,913
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	14,913	14,913	-	14,913
Transactions with owners					
Equity-settled share-based payments reserve	-	6,848	6,848	-	6,848
Derecognition of non-controlling interest	-	-	-	(723)	(723)
Net movement in Company shares	-	(1,270)	(1,270)	-	(1,270)
Balance as at 31 March 2026	**40,099**	**68,386**	**108,485**	**-**	**108,485**

Consolidated Statements of Cash Flows

Audited for the year ended 31 March 2026

	Note	**Consolidated Year ended 31 March 2026 £'000**	Consolidated Year ended 31 March 2025 £'000
Net cash generated from operations	10	**23,655**	9,601
Cash flows from investing activities			
Investment in subsidiaries		**-**	-
Derecognition of RetailBook cash on loss of control		**(1,774)**	-
Purchase of property, plant and equipment		**(882)**	(583)
Disposal of property, plant and equipment		**-**	2
Purchase of intangible assets		**(160)**	(283)
Net cash used in investing activities		**(2,816)**	(864)
Cash flows from financing activities			
Interest paid		**(757)**	(1,404)
Lease liability payments		**(3,351)**	(3,402)
Purchase of Company shares		**(1,270)**	(974)
Non-controlling interests		**-**	-
Disposal of equity in a subsidiary investment		**-**	9
RetailBook fundraising proceeds		**-**	500
Repayment of the revolving credit facility		**-**	(15,000)
Proceeds from/(repayment of) long-term loan		**1,000**	(6,000)
Net cash used in financing activities		**(4,378)**	(26,271)
Net increase/(decrease) in cash and cash equivalents		**16,461**	(17,534)
Cash and cash equivalents at beginning of period		**20,395**	37,929
Cash and cash equivalents at the end of the year		**36,856**	20,395

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

Peel Hunt Limited (the Company) is a non-cellular company limited by shares having admitted its shares for trading on Alternative Investment Market (AIM), a market operated by the London Stock Exchange plc, on 29 September 2021. The Company is registered in Guernsey. Its registered office is Mont Crevelt House, Bulwer Avenue, St Sampson, Guernsey GY2 4LH. The consolidated financial statements of the Company comprise the Company and its subsidiaries, together referred to as the Group.

The financial information is presented in pounds sterling and all values are rounded to the nearest thousand (£'000), except where indicated otherwise.

The financial information has been prepared on the historical cost basis, except for derivatives and financial assets and liabilities which are valued at fair value through profit and loss (FVTPL). Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Going concern

The Group's principal activities are Investment Banking, Research & Distribution and Execution Services in UK mid-cap and growth companies to institutional clients, wealth managers and private client brokers.

The Directors have assessed the Group's projected business activities and available financial resources together with a detailed cash flow forecast for the next 18 months from the date these financial statements were approved. The Directors have used base case and severe but plausible scenarios to perform the going concern assessment.

The base scenario assumes:

- Long-term sustainable growth of the Group as approved by the Board in the Group's five-year business plan
- Moderate inflationary increases on all cost categories
- Continued strategic investment in the Group, particularly in relation to technology and further diversification in its revenue

The severe but plausible downside scenario assumes:

- Worsening of the economic climate from the historic low levels, continuing to keep capital market activity low and trading volumes reduced
- An operational event occurs reducing profitability and cash
- Management continues to rationalise costs where possible

The results of the scenario analyses consider the impact on profitability, cash, liquid assets, regulatory capital and covenant requirements. The severe but plausible downside scenario also includes active management of the Group's liquid assets in order to ensure the Group's ability to repay its long-term loans as required, which would mitigate any potential covenant constraints. In view of the Group's available financial resources, the Directors believe that the Group is well placed to manage its business risks successfully.

The Directors are satisfied that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date these financial statements are approved and for the foreseeable future. The Group has a strong focus on working capital management to ensure the payment of the Group's liabilities as they fall due. There is also a focus on monitoring the regulatory capital resources and requirements of Peel Hunt LLP and the UK regulatory group to ensure that all regulatory capital and liquidity requirements and covenant requirements are met.

Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 March 2026.

The new standards or amendments to IFRS that became effective and were adopted by the Group during the year had no material effect on the financial statements.

2. Revenue

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Research payments and execution commission	**28,592**	26,108
Execution Services revenue	**47,772**	33,673
Investment Banking fees and retainers	**67,092**	31,526
Total revenue for the year	**143,456**	91,307

3. Staff costs

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Wages and salaries	**67,908**	46,450
Social security costs	**10,027**	5,923
Pensions costs	**2,341**	2,570
Other costs	**494**	547
Total staff costs charged as an expense for the year	**80,770**	55,490

The average number of employees of the Group excluding RetailBook during the year decreased to 266 (31 March 2025: 291). Average number of employees for RetailBook during the year was 1 (31 March 2025: 7).

4. Net finance expense

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Finance income		
Interest received	**999**	1,495
Finance expense		
Interest paid	**(147)**	(293)
Interest on lease liabilities	**(1,358)**	(712)
Interest accrued on long-term loan	**(610)**	(1,100)
Finance expense for the year	**(2,115)**	(2,105)
Net finance expense for the year	**(1,116)**	(610)

5. Tax charge

The Group tax charge in the year ended 31 March 2026 includes a tax expense of £6.2m (31 March 2025: tax expense of £0.1m).

6. Non-controlling interest

The amount of non-controlling interest is measured at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets.

7. Statement of Financial Position items

(a) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement on a straight-line basis over the estimated useful economic lives of each item.

(b) Intangible assets

Intangible assets represent internally generated intangible assets, computer software and sports debentures. Amortisation is charged to the income statement on a straight-line basis over the estimated useful economic lives of each item. Internally generated intangible assets are amortised over three years, computer software is amortised over five years and sports debentures are amortised over the life of the ticket rights.

Internally generated intangible assets comprise capitalised development costs for certain technology developments for key projects in the Group. The expenditure incurred in the research phase of these internal projects is expensed. Intangible assets are recognised from the development phase if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its costs can be reliably measured. Amortisation begins when the asset is available for use.

(c) Right-of-use asset and lease liabilities

The right-of-use asset and lease liabilities (current and non-current) represent the two property leases that the Group currently uses for its offices and car leases.

(d) Market and client debtors and creditors

The market and client debtor and creditor balances represent unsettled sold securities transactions and unsettled purchased securities transactions, which are recognised on a trade date basis. The majority of open bargains were settled in the ordinary course of business (trade date plus two days). Market and client debtor and creditor balances in these financial statements include agreed counterparty netting of £36.4m (31 March 2025: £10.0m).

(e) Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the financial instrument. The type of financial instruments held by the Group at 31 March 2026 are consistent with those held at the prior year end. The majority of financial instruments are classified as 'Level 1', with quoted prices in active markets.

(f) Stock borrowing collateral

The Group enters into stock borrowing agreements with a number of institutions on a collateralised basis. Under such agreements, securities are borrowed with a commitment to return them at a future date. The securities borrowed are not recognised on the statement of financial position. The cash pledged is recorded on the statement of financial position as cash collateral within trade and other debtors, the value of which is not significantly different from the value of the securities borrowed. The total value of cash collateral held on the statement of financial position is £2.4m (31 March 2025: £2.4m).

(g) Long-term loans

During the year, the Company repaid £3m of the scheduled Senior Facilities Agreement (SFA) principal, reducing the balance to £6m as at 30 September 2025. In January 2026, the SFA was refinanced with £4m of additional proceeds, resulting in an outstanding balance of £10m as at 31 March 2026 (31 March 2025: £9m). The refinanced facility is repayable in equal annual instalments of £3.3m.

(h) Revolving credit facility

As at 31 March 2026, the £20.0m (31 March 2025: £20.0m) Revolving Credit Facility (RCF) was undrawn (31 March 2025: £nil) and £10.0m overdraft facility was undrawn (31 March 2025: £nil).

8. Earnings/(loss) per share

	Year ended 31 March 2026	Year ended 31 March 2025
Basic weighted average number of ordinary shares in issue during the year	**115,552,212**	116,352,608
Dilutive effect of share option grants	**12,208,187**	10,363,476
Diluted weighted average number of ordinary shares in issue during the year	**127,760,399**	126,716,084

Basic earnings/(loss) per share of 12.9p (31 March 2025: (2.3)p) is calculated on total comprehensive income/(expense) for the year, attributable to the owners of the Company, of £14.9m (31 March 2025: £(2.7)m) and 115,552,212 (31 March 2025: 116,352,608) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

The Company has 12,208,187 (31 March 2025: 10,363,476) of dilutive equity instruments outstanding as at 31 March 2026.

9. Post balance sheet event

There are no material post balance events.

10. Reconciliation of profit/(loss) before tax to cash from operating activities

	Year ended 31 March 2026 £'000	Year ended 31 March 2025 £'000
Profit/(loss) before tax for the financial year	**21,102**	(3,497)
Adjustments for:		
Depreciation and amortisation	**4,075**	4,429
Impairment of intangible assets	**20**	-
Decrease in expected credit loss on financial assets held at amortised cost	**65**	(258)
Impairment of investments in associate	**-**	538
Share of loss in associate	**1,415**	-
Decrease in provisions	**(116)**	(97)
Equity settled share-based payments – IFRS 2 charge	**6,848**	1,521
Exercised options settled from Company shares	**(1,454)**	-
Revaluation of right-of-use asset and lease liabilities	**(2)**	(22)
Net finance expense	**1,116**	610
Change in working capital:		
(Increase)/decrease in net securities held for trading	**(9,436)**	10,031
Increase in net market and client debtors	**(18,279)**	(6,152)
Decrease/(increase) in trade and other debtors	**3,184**	(403)
Increase in trade and other creditors	**22,037**	1,408
Cash generated from operations	**30,575**	8,108
Interest received	**998**	1,495
Corporation tax paid	**(7,918)**	(2)
Net cash generated from operations	**23,655**	9,601

END