

03 March 2026

PRELIMINARY RESULTS ANNOUNCEMENT

International Workplace Group plc, the world's largest hybrid workspace platform with a network in over 120 countries through flexible workspace brands such as Regus, Spaces, HQ, Signature, issues its preliminary results for the twelve months ended 31 December 2025.

ACCELERATING GROWTH AND FURTHER SHARE BUYBACKS

Group performance: System-wide revenue growth, Adjusted EBITDA growth, record openings

- Highest-ever System-wide revenue with growth of 4% to \$4.5bn (FY2024: \$4.3bn)
 - Higher Group revenue vs 2024 at \$3,762m
 - 2.4x growth in recurring management fee revenue year-over-year to \$45m
 - Company-owned pricing and occupancy strategy delivering in line with expectations, with momentum into 2026
 - 97bps increase in Company-owned adjusted gross profit margin
 - Core overheads flat, demonstrating operational leverage as we continue to invest in growth
- Highest-ever Adjusted EBITDA with 6% growth to \$531m (FY2024: \$501m)
- Highest-ever network growth with 1,132 new centre signings and 782 openings (FY2024: 899 / 624)
- Strong balance sheet: no refinancing requirements until 2029 and leverage continues to fall ending 2025 at 1.35x net debt / Adjusted EBITDA (FY2024: 1.46x)
- Cashflow before corporate activities growth of 60% to \$162m in 2025 (FY2024: \$101m)
- \$144m of capital returned to shareholders in 2025 comprising \$14m of dividends and \$130m of share buybacks
- 2026 buyback programme continuing and increased by a further \$50m to \$100m

Summary financials and segment overview

\$m, US GAAP basis	FY2025	FY2024	% change
System-wide revenue ^{2,3}	4,453	4,297	+3.6%
Group revenue	3,762	3,756	+0.2%
Adjusted EBITDA ^{1,2,3}	531	501	+6.0%
Operating profit	143	142	+0.7%
Adjusted Earnings per share (¢) ^{2,3}	4.8	2.8	+76.4%
Cashflow before corporate activities	162	101	+60.4%
Net debt	715	729	

1. EBITDA excluding adjusting items and depreciation of landlord contributions (cost reimbursements) on leased properties
2. Refer to the Chief Financial Officer Reviews and the Reconciliation for alternative performance measures schedules for the detailed calculations
3. See the Glossary for the defined terms

At the Investor Day in December 2025 the segmental reporting was revised and the Company announced that going forwards it would report in two divisions which are presented below. A reconciliation between the new and historic divisional reporting is shown on page 65.

Segmental Summary

\$m, US GAAP basis	System-wide revenue	Segment revenue	Adjusted gross profit	Maintenance capex (net)	Growth capex (net)
Managed & Franchised	876	185	150	n/a	7
Company-owned	3,577	3,577	945	92	75
Total in FY 2025	4,453	3,762	1,095	92	82
Total in FY 2024	4,297	3,756	1,028	49	63

Managed & Franchised: Record network growth, RevPAR developing as expected driving System-wide revenue and fee income

- 28% System-wide revenue growth year-over-year to \$876m (2024: \$682m) – fastest-ever growth in absolute terms for this segment of \$194m
- 60% growth in total fee income to \$126m (2024: \$79m)
 - 140% growth of recurring management fees to \$45m (2024: \$19m)
- Previously-announced further investment in the partnership sales team has accelerated the development of pipeline with 1,089 new locations signed in 2025 (2024: 853) – growth of 28%
- Record 731 openings in 2025 with almost 3 new centres opened every working day
- At the end of 2025, 307k rooms were open with a further 227k rooms that were signed not yet open. Once these rooms are all open and mature, they are expected to produce system-wide revenue of \$1.8bn per year
- Recurring management fees expected to grow to \$80m in 2026 as previously guided. Recurring fees include all of the fee-based income tied to partner-operated and franchised centres
- The Managed and Franchised segment now comprises 20% of System-wide revenue (2024: 16%), 41% of locations (2024: 28%) and 29% of rooms (2024: 19%)

\$m	FY2025	FY2024	Growth
System-wide revenue	876	682	28%
Gross profit	150	108	39%
Fee income	126	79	60%
RevPAR (\$)	327	408	(19.9)%
RevPAR – Managed	211	256	(17.6)%
RevPAR – Managed – excluding 2024 openings	350	n/a	n/a
RevPAR – Franchised & JVs	511	499	2.4%
Rooms open	307k	185k	66%
Centres open	1,891	1,116	69%
Rooms added in the period (net)	122k	62k	97%
Centres opened in the period	733	551	33%
Rooms in pipeline ¹	227k	182k	25%
New centre deals signed	1,089	853	28%

¹ Signed rooms that have not been opened after 2 years have now been removed from the pipeline

Company-owned: Increased occupancy drives revenue visibility into 2026. Margins continuing to expand

- Profitability continuing to improve with adjusted gross margin increasing to 26% (\$945m) in 2025 from 25% (\$920m) in 2024
- Pricing and revenue trends are positive into 2026 benefiting from the focus on improving occupancy during 2025
- RevPAR for 2025 of \$340 (2024: \$357)
- We continue to selectively add locations to our Company-owned network with 49 new centres opened and 43 new locations signed
- Revenue growth expected to be at least 4% in 2026 as communicated at our Investor Day in December
- The Company-owned segment now comprises 68% of System-wide revenue (2024: 70%), 59% of locations (2024: 72%) and 71% of rooms (2024: 81%)

\$m	FY 2025	FY 2024	Change
Revenue	3,577	3,615	(1)%
Open Centre Revenue	3,028	3,025	0%
RevPAR (\$)	340	357	(5)%
Rooms open	740k	775k	(5)%
Centres open	2,718	2,873	(5)%
Centres opened in the period	49	73	(33)%
Adjusted gross profit	945	920	3%
Adjusted gross profit margin	26%	25%	97bps

Overhead: Continued disciplined control of overhead costs

- Total overheads increased from \$514m to \$546 driven by the increase in discretionary overheads of \$36m to \$95m. These discretionary investment overheads represent non-capitalised spending undertaken at management's discretion to support and accelerate growth. In 2025 these included:
 - Increased investment in the Partnership Sales team to drive managed partnership location signings
 - Increased marketing investment to support new locations
 - Project costs, including the Company's adoption of US GAAP accounting standards

Financing and Net Debt

(\$m)	FY2025	FY2024	Change
Cash & Cash equivalents	(302)	(137)	(165)
2027 0.5% Convertible Bond ¹	6	199	(193)
2030 €625m 6.5% Corporate Bond ¹	658	648	10
2032 €300m 5.125% Corporate Bond ¹	333	-	333
Other	20	19	1
Net debt	715	729	(14)

1. Presented net of amounts related to the effective portion of forward exchange contracts and cross-currency interest rate swaps that hedge the principal component of the debt

Capital structure and allocation: Balance sheet strength enabling shareholder returns

- Following the exercise of the investor put on the 2027 Convertible Bond, there is a residual \$6m maturity in December 2027, and no other financing maturities until 2029 (RCF), 2030 and 2032 (Eurobonds)
- In 2025, the Company returned \$144m to shareholders via share buybacks (\$130m) and dividends (\$14m)
- The Company announced the first tranche of the 2026 share buyback on 31 December, and today, announce an increase of another \$50m to the buyback programme
- The Board has recommended a final dividend for 2025 of 0.93¢ representing an increase of 3% in the final dividend per share and resulting in a total dividend for 2025 of 1.38¢
- We maintain our commitment to a BBB credit rating

Mark Dixon, Chief Executive of International Workplace Group plc, said:

"We set out a clear strategy at our first Investor Day in New York in December 2023 for capital light growth to deliver cashflow and business simplification. As we outlined in our Investor Day in December 2025 – this is what we have been delivering on, and we will continue to do so.

We continue to have structural tailwinds and a business which is both prepared for and delivering network growth. In the last twelve months, more locations were opened than we had open after fifteen years of operating. We now have over 1 million rooms in over 120 countries with a significant pipeline. This is expected to drive our future growth in revenue, EBITDA and cash flow"

Outlook and guidance

2026 has started as expected and we maintain a cautiously optimistic outlook for the year. We reiterate our full-year guidance as outlined at the Investor Day on 4 December 2025:

- Adjusted EBITDA of \$585m-\$625m, on the assumption that this will be driven predominantly by revenue growth rather than cost reduction
- Further share buybacks with a second tranche of \$50m, taking the announced programme to \$100m for the year so far
- Continued medium-term guidance to deliver at least \$1bn EBITDA.

Financial calendar

17 March 2026	Publication of 2025 Annual Report & Accounts
1 May 2026	Final 2025 dividend record date
12 May 2026	Q1 2026 trading update
19 May 2026	Annual General Meeting
29 May 2026	Final 2025 dividend payment date
11 August 2026	H1 2026 results
3 November 2026	Q3 2026 trading update

Results presentation

Mark Dixon, Chief Executive Officer, and Charlie Steel, Chief Financial Officer, will be hosting a presentation of the results today for analysts and investors at 9.00am UK time (SPACES, New Broad Street House, 35 New Broad St, London, EC2M 1NH).

The presentation will be available via live webcast and will be available to view at the following link [IWG Analyst Presentation](#)

Further information

International Workplace Group plc

Mark Dixon, Chief Executive Officer
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Nick Cosgrove
Peter Hesse

Chairman's Review

Our performance

During 2025, IWG continued to deliver on the execution of its strategy, strengthening our position as the world's leading platform for enabling work where, when and how it is conducted. Our capital-light approach to growth combined with strong operating results enabled a significant return of cash to shareholders during 2025 through our share buyback and dividend programmes while simultaneously adding a record number of new locations to our network.

We are entering 2026 with a strong pipeline for additional capital light location openings alongside the continuation of our share buyback programme. This momentum combined with operational discipline underpins both our growth ambitions and our commitment to delivering sustainable shareholder returns.

Our strategy

IWG's rapid growth reflects our ability to anticipate and respond to constant changes in how businesses across the world wish to manage and consume workspace. Our achievements against a backdrop of ongoing macroeconomic and geopolitical uncertainty reflects the resilience of our capital-light operating model and sustained demand for flexible workspace solutions.

Our effective combination of technology with the world's largest network of flexible workspace provides organisations with adaptable workspace solutions that are conveniently located near their workforce and tailored to their requirements. By addressing the wide-ranging needs of audiences that include workers, local businesses, businesses in multiple markets, and building owners, we deliver greater efficiency and choice for customers, attractive returns for our partners and shareholders, and long-term opportunities for our people.

Our people

Once again, the professionalism and commitment of our teams in markets across the world have provided the cornerstone of our continued success and accelerating growth. On behalf of the Board, I would like to recognise the outstanding contribution of our colleagues globally, whose focus on operational excellence and customer service continues to differentiate IWG in competitive markets. IWG remains committed to fostering an engaging and inclusive working environment that enables them to develop and build successful careers.

Our sustainability journey

IWG is actively navigating the evolution of sustainability parameters, technical and regulatory requirements, market developments and stakeholder expectations. During 2025 we continued to make substantial progress on our sustainability journey including the development of our Net Zero Transition Plan that will guide our future activities. Sustainability considerations are embedded in our governance and operating processes and we will issue our first standalone Sustainability Report during the second half of 2026, further enhancing transparency for our stakeholders

Our Board

We are focused on the execution of the strategy and managing succession at the Board level. This was reflected in several appointments during 2025, with Lázaro Campos joining the board as Senior Independent Director and Stephen Jennings joining the board as Chair of the Nomination Committee. Both of these individuals bring significant relevant business and board experience to IWG. Their appointments increased the number of independent directors and depth of expertise as Board composition, effectiveness and succession

remain ongoing priorities. I would like to thank all of the Board members for their commitment and constructive input during 2025 contributing to the delivery of value for all IWG stakeholders.

Looking ahead

We are at a moment when the world of work is changing faster and more significantly than ever before. Technological advancements, including the rapid evolution of AI are reshaping how and where work is undertaken. This dynamic environment creates new possibilities that are very well served by the IWG operating model. Flexibility remains central to success in such a fast-changing environment, and this is precisely what IWG delivers to our customers and partners.

As we look to 2026 and beyond, I am confident that IWG's unique position within the world of work will continue to support its positive evolution, driven by the effective execution of a strategy that meets the needs of millions of workers, their employers, building owners, communities, our people and our shareholders.

Douglas Sutherland

Chairman

3 March 2026

Chief Executive Officer's Review

In 2025, a significant milestone was achieved with more new locations signed and opened in a single year than in the entire first two decades of our operations. Our network now comprises more than one million rooms in over 120 countries and with a substantial pipeline in place, our growth will continue to accelerate rapidly in the years ahead.

We remain laser-focused on rapidly expanding our coverage to create a truly global network of buildings from the largest cities to smaller towns and the provinces. Our capital-light expansion strategy, delivered through partnerships with property owners and investors, enables companies of all sizes to work productively in locations that are convenient to their people.

Increasingly, our solutions are helping companies move away from the expense and inflexibility of long-term leases, replacing them with flexible, cost-effective agreements for smaller fully equipped spaces in one of our centres. At the same time, they retain the ability to access more than 5,000 locations worldwide.

The significant growth of platform and hybrid working has revolutionised how and where people work, bringing significant productivity benefits and lower costs to companies while transforming the working lives of their teams.

Over the past few years, these more flexible ways of working have become the default model for a significant proportion of white-collar workers with companies empowering their employees to work across multiple locations, splitting their time between local workspaces, a central office and home.

This is not simply a change in how people work, rather a rebalancing of where economic value is created. The days of needing to be tethered to a central HQ are behind us. Technology has changed everything, effectively removing the need for daily long and expensive commutes.

This long-term shift towards the hybrid model is one of the mega-trends of our time and represents a substantial financial opportunity for IWG. 83% of CEOs are already empowering their teams to work from multiple locations and with 1.2 billion white-collar workers globally, our industry has a total addressable audience valued at more than \$2 trillion. Platform working is set to become the norm for many of these employees.

In 2025, we had the opportunity to partner with Arup to explore the productivity gains of more localised working for businesses of all sizes, as well as the economic advantages for them and their communities. This along with the existing research by Professor Nicholas Bloom – a senior fellow at the Stanford Institute for Economic Policy Research has contributed greatly to our understanding of the productivity benefits of more flexible ways of working.

This collective research confirms what we've long seen coming: working from local offices and workspaces closer to where people live doesn't just improve the quality of life for employees, it also delivers major productivity benefits for businesses, cities and entire economies.

The Rise of Platform Working

Today, the remarkable advances in cloud technology and video conferencing software – both vital to enabling effective hybrid working – mean workers no longer need to travel long distances daily. As a result, we are seeing a redistribution of the geography of work with teams able to spend a meaningful amount of time in their local communities alongside the city centre. Innovations in technology will continue to advance in years to come and will radically underline and fuel the flexibility of location.

The rising demand for more localised working has led to a large number of our new IWG centres opening in the heart of local communities, suburbs and rural areas, enabling many people around the world to say farewell to long daily commutes.

Small towns have seen a dramatic increase in new locations with signings in the U.S. including Franklin, TX, Berwyn, PA and Bloomfield Hills, MI, all with populations below 5,000, while at the same time our customers can access a growing number of premium and flagship city centre locations ranging from the Chrysler Building in New York to the upcoming Olympia development in London.

Strategy

At our most recent Investor Day in December 2025, I was pleased to update the market that our strategy to grow the most extensive coverage and network in a capital-light manner is working, and it has enabled us to return significant capital to shareholders. We expect to continue to deliver both cashflow and growth in the years ahead.

We are continuing to make ongoing investments into our world-class platform as well as our marketing operations. These investments will enable us to deliver on the rapid growth of our network coverage in partnership with the property industry and investors using capital-light expansion methods such as management agreements, partnering deals and franchising.

The shift towards hybrid and more localised working is propelling our business forward with the fastest growth ever seen in our history. In 2025, we added a record number of locations globally, signing 1,132 centres and achieved our highest-ever revenues. We are the partner of choice for businesses of all sizes including large enterprises with approximately 85% of the Fortune 500 amongst our customer base and an equally impressive 84% of our customers using multiple products and services.

During the year, we accelerated our capital-light growth strategy allowing us to capitalise on the growing number of property investors seeking to maximise their returns by partnering with IWG. There are currently over 1,300 centres in our rapidly expanding pipeline.

Focusing on growth through the capital-light business means that growth capex requirements will be dramatically lower in the future, generating more free cash flow for shareholders.

We are increasingly seeing partners sign multiple locations with IWG as they grasp the scale of the opportunity in front of them. My greatest thanks go to all our valued property owners and investors who have chosen to partner with us and as a business we are resolutely committed to the long-term success of these partnerships.

Market Leader in Innovation

As the market-leader in the structurally growing flexible and platform working industry, we are exceptionally well positioned for the long term. Not only do we lead the market on global reach, but also in a number of crucially important areas for future growth such as our home work products.

IWG has created an outstanding Research and Development team to ensure we are at the forefront of innovation. We will continue to add new concepts and platforms to widen our offer further to our expanding customer base.

The Transformative Impact of Technology and AI

Hybrid working and digital technology have always had a symbiotic relationship. Each wave of technological innovation enables more fluid collaboration across geographies and teams, as well as between businesses, fuelling the growth of hybrid. As a company, we are using AI more and more across our business and it is improving our operations and making us more efficient.

The ongoing rise and adoption of AI will be beneficial for IWG and we will continue to be agile, adapting to new ways of working and harnessing its benefits to significantly drive efficiency and increase the velocity of our business. We expect even greater use of our network as companies grow their adoption of AI.

Our Financial Performance

With such strong momentum globally behind the shift to platform and hybrid working, confirmed by our financial results for 2025, our record system revenue, EBITDA, and network growth have allowed us to increase and extend our share buyback.

Our financial performance reinforces that we are successfully executing our strategic goals and leave us well-positioned for 2026 and beyond.

I would like to take this opportunity to thank all our incredible team members that were the driving force behind the rapid growth of our global network and an excellent set of financial results. I would also like to acknowledge the tireless hard work of our Finance department who were responsible for the successful conversion of our reporting framework to US GAAP, the Group-wide ERP implementation programme, and continued investment in AI and automation.

Looking ahead

The future for IWG and all our stakeholders remains bright. We continue to grow our customer base, which is up 6% year-on-year, as well as our global network and best-in-class portfolio of locations and brands, while delivering on our capital-light expansion strategy.

2025 was a record year for both revenue and network expansion and provides the foundations for continued growth in the year ahead. With 1.2 billion white-collar workers globally and a potential audience valued at more than \$2 trillion, there is substantial room for growth and as a company, we are absolutely committed to capturing more of this market over the years ahead.

Mark Dixon
Chief Executive Officer
3 March 2026

Chief Financial Officer's Review

2025 delivered in line with guidance as we expected and outlined at the 2024 full-year results presentation in March 2025. We had the highest-ever network growth at 782 openings, with System-wide revenue of \$4.5bn, Adjusted EBITDA of \$531m, positive earnings for a second consecutive year and underlying cashflow before shareholder returns of \$162m. This enabled us to deliver capital returns to investors of \$144m, comprising dividends of \$14m and share buybacks of \$130m. During 2025 we have also:

- Converted our reporting framework to US GAAP
- Completed the reorganisation of the Group's operating segments
- Undertaken a Group-wide ERP implementation and continued to invest in AI and automation
- Strengthened our balance sheet further with no refinancing needs until 2029 through the issuance of a €300m Investment Grade bond in May, fully hedged into USD reducing FX volatility

These changes will enable us to capitalise on our scale as the business grows while delivering further on our existing capital allocation policy with the dividend and continued share buyback programme.

Group income statement

We again show strong system-wide revenue performance during 2025 which is driving further capital-light income and therefore the business's transition towards a fee-driven model.

\$m, US GAAP basis	2025	2024
System-wide revenue	4,453	4,297
Revenue	3,762	3,756
Cost of Sales	(2,731)	(2,808)
Gross profit	1,031	948
<i>Gross profit margin</i>	27.4%	25.2%
Selling, general and administrative expenses	(546)	(514)
Allowance for credit losses	(18)	(13)
Depreciation & Amortisation before landlord contributions	(357)	(333)
Depreciation of landlord contributions (cost reimbursements) on leased properties	64	80
Impairments, disposals and closures	(31)	(26)
Operating Income	143	142
Interest Expense	(87)	(64)
Other finance costs	(13)	(20)
Profit before tax	43	58
Taxation and equity method investments	(28)	(40)
Profit for the period	15	18
Net income (loss) attributable to non-controlling interests	(3)	-
Net income (loss) attributable to the Company	18	18
Basic EPS (¢)		
From continuing operations	1.8	1.8
Attributable to shareholders	1.8	1.8
Adjusted EPS (¢)		
From continuing operations	4.8	2.8
Attributable to shareholders	4.7	2.7

Segmental reporting

Up to 31 December 2025 the Company has been organised into three operating segments based on the types of services provided, namely the IWG Network (Company-owned and Managed & Franchised) and Digital & Professional Services.

Company-owned comprises leased and owned properties, Managed & Franchised comprises all centres that IWG operate on behalf of building owners or under franchise agreements, and Digital & Professional Services comprises enterprise managed real estate (where IWG manage space on behalf of an enterprise customer with a back-to-back lease in place) and other activities such as digital services, brokerage and consulting.

As announced at the Investor Day in December 2025, Digital & Professional Services reporting will be integrated into the other two segments in 2026 as follows:

- Enterprise Managed real estate business will be reported in the Company-owned segment
- Virtual Office revenues associated with Company-owned locations reported in Company-owned segment; and
- Digital, brokerage and consulting services will be reported in the Managed & Franchised segment

The Managed & Franchised segment under both the old and new structure carries no lease liability as IWG does not hold the underlying property leases when it manages a site on behalf a third party.

The two segments are presented below with a reconciliation to the three segments in the APM section.

Revenue

Group system-wide revenue increased by 4% to \$4,453m. Group revenue stayed flat at \$3,762m. This reflects the ongoing transition to a capital-light model, with the Managed & Franchised segment accounting for a growing share of system-wide revenue. While this segment remains smaller in absolute revenue terms, the profitability of these revenues is significantly higher than that of the Company-owned segment, reinforcing the strategic value of this shift.

Our Managed & Franchised business delivered 28% system-revenue growth year-over-year to \$876m (FY24: \$682m) and \$185m of segment revenue. Fee income increased by 60% to \$126m (2024: \$79m), of which recurring management fees grew 2.4x to \$45m (2024: \$19m). The growth in this segment is driven by the unprecedented number of centre openings, 782 during 2025, where signings continue to convert into openings at pace and therefore become revenue generating

Company-owned remained stable, delivering segment revenue of \$3,577m.

\$m	System-wide Revenue			Segment Revenue		
	2025	2024	% change	2025	2024	% change
Managed & Franchised	876	682	28%	185	141	31%
Company-owned	3,577	3,615	(1)%	3,577	3,615	(1)%
Group	4,453	4,297	4%	3,762	3,756	nm

Revenue per Available Room (RevPAR)

RevPAR is a monthly average KPI, defined as the system-wide revenue excluding the Managed Real Estate business (where IWG manage space on behalf of an enterprise customer with a back-to-back lease in place), and excluding centres opened and closed during the year, divided by the number of available rooms, which is defined as 7 square metres across all usable space. RevPAR is a well understood measure used across many industries and is particularly relevant to IWG as it incorporates all revenue received across IWG's expansive product portfolio.

Given the scale of growth and room additions that the Company is adding to the Network, RevPAR excluding centres opened in 2024 is presented below to show RevPAR progression excluding the impact of centres not yet mature. It is expected that the higher-growth segments will show a falling year-over-year RevPAR because new locations that have opened but are not yet mature are contained within the calculation.

Managed RevPAR is \$211 (2024: \$256) and excluding 2024 and 2025 openings is \$350, being driven by new centre revenue performing in line with our plans. RevPAR in our franchised locations was \$511 (2024: \$499) which is higher than in our Managed Partnerships locations due to: (a) franchise locations being predominantly in high RevPAR countries, in particular Japan and Switzerland; (b) the higher maturity of franchise locations

which have been operating for many years. As we have previously disclosed, RevPAR on these additional Managed Partnerships rooms is targeted to be \$250 at maturity.

RevPAR in Company-owned for 2025 was \$340, down by ~5% (2024: \$357). This is due to price reductions to drive long-term occupancy. Higher occupancy also drives more revenue capture opportunity through ancillary services.

System RevPAR (\$, monthly average)	2025	2025 ex 2024 openings	2024	% change
Managed & Franchised	327	453	408	(19.9%)
<i>Managed</i>	211	350	256	(17.6%)
<i>Franchised and JVs</i>	511	527	499	2.4%
Company-owned	340	350	357	(4.6%)
IWG Network	338	363	367	(8.1%)

Adjusting items

The Group identified net adjusting items on gross profit of \$64m (2024: \$80m), operating profit of \$95m (2024: \$106m) and net income of \$(65)m (2024: \$(96)m).

These adjusting items refer to depreciation of landlord contributions (cost reimbursements) on leased properties of \$64m (2024: \$80m), impairment of long-lived assets and goodwill of \$29m (2024: \$83m), (gain) loss on disposal of long-lived assets and other closure related (credits) costs of \$2m (2024: \$(57)m) and gains on extinguishment of debt of \$(1)m (2024: \$(16)m).

Adjusting items impact (\$m)	2025	2024
Depreciation of landlord contributions (cost reimbursements) on leased properties	64	80
Adjusting items impact on Gross Profit	64	80
Impairment of long-lived assets and goodwill	29	83
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	2	(57)
Adjusting items impact on Operating Profit	95	106
Adjusting items impact on EBITDA	95	106
(Gain) on extinguishment of debt	(1)	(16)
Depreciation of landlord contributions (cost reimbursements) on leased properties included in EBITDA	(64)	(80)
Adjusting items impact on Net Income	30	10

Adjusted gross profit

Gross profit increased from \$948m in 2024 to \$1,031m in 2025 and adjusted gross profit increased from \$1,028m in 2024 to \$1,095m in 2025.

Company-owned adjusted gross margin of 26.4% (2024: 25.4%), progression of 97bps as we continue to expect margins to trend towards our 30% target in the medium term.

Adjusted gross profit (\$m)	2025	Adjusting items ¹	2025 - Adjusted	2024	Adjusting items ¹	2024 - Adjusted
Managed & Franchised	150	-	150	108	-	108
Company-owned	881	64	945	840	80	920
Adjusted gross profit	1,031	64	1,095	948	80	1,028

1. Adjusting items refer to the impact of the depreciation of landlord contributions (cost reimbursements) on leased properties on leases included in Depreciation and Amortisation

Selling, general and administrative expenses

Group SG&A increased in 2025 to \$546m (2024: \$514m). Core overheads remained flat as we continue to manage costs effectively, discretionary overheads increased as we selectively invest in growth, specifically:

- \$30m on the Partnership sales team, an additional investment of \$5m year-over-year, to ensure we maintain our market leading position. We signed 1,132 new deals in 2025 vs 899 in 2024, and whilst our partnership sales team is an ongoing cost, we are expecting that the cost will be less than signings growth, therefore margins should continue to grow
- \$46m of marketing spend, an additional \$33m year-over-year, to support the brand and centre growth, in particular additional marketing spend to increase the success of new centre openings
- \$9m of project costs, \$4m increase year-over-year, recognised on one-off investments into the scalability of our sales and operating platform as we continue to optimise and automate processes.

Operating Income

Operating Income increased to \$143m. The increase in gross profit was offset by year-over-year increases in SG&A of \$32m, allowance for credit losses of \$5m, and impairments and gain / loss on disposals of long-lived assets of \$4m.

Net finance expense

The Group reported a net finance expense of \$100m (2024: \$84m). The increase is predominantly due to higher interest rates on Group debt following refinancing transactions completed in 2024 and the repayment of the convertible bond. The Group did not believe a lower coupon on the convertible bond merited additional dilution risk.

The net finance expense in 2025 includes cash interest of \$87m related to borrowing facilities (2024: \$64m). All the Group's Eurobonds are hedged into USD using cross-currency interest rate swaps. Under the swap agreements, interest is paid semi-annually in Q2 and Q4. Other finance costs predominantly include commitment fees and bank charges on facilities such as the \$720m revolving credit facility and guarantees.

As of 31 December 2025, the cross-currency interest rate swaps had a positive fair value of \$87m.

Finance expense \$m	2025	2024
Interest expense	(87)	(64)
Foreign currency gain / (loss)	7	(17)
Gain on extinguishment of debt	1	16
Other finance costs ¹	(21)	(19)
Net finance expense	(100)	(84)

¹ Relates primarily to bank fees. Excludes financing fees on the issuance of the Euro-bonds which are capitalised

Taxation

The estimated annual effective tax rate in 2025 is 74% (2024: 69%). The Group has performed an assessment of its potential exposure to Pillar Two global minimum income taxes and does not expect any material top-up taxes to arise in any jurisdiction in which it operates. The majority of the Group's entities benefit from transitional safe harbour rules which take them out of scope of the full rules, and the remaining countries are not expected to give rise to any material top-up tax. This position is unchanged from year end 2024.

Given the Group's global footprint across over 120 countries, it is not possible to take advantage of tax grouping on a global basis. As a result, the aggregation of tax paid in individual countries can lead to a high effective tax rate on group profits in certain periods. Although it is difficult to predict the impact of developments in global taxation, as profitability of the Group increases it is expected that the effective tax rate will fall.

Earnings per share

Earnings per share attributable to ordinary shareholders in 2025 was a profit of 1.8c (2024: profit of 1.8c). Adjusted earnings per share attributable to ordinary shareholders in 2025 was a profit of 4.8c (2024: profit of 2.8c).

The weighted average number of shares in issue during the period was 1,007,813,563 (2024: 1,009,815,216). At 31 December 2025 the Group held 15,307,650 treasury shares (31 December 2024: 45,241,020). During the

years ended 31 December 2025 and 2024, share awards of 14,693,363 and 9,320,378, respectively, had a dilutive effect with a negligible impact on the basic earnings per share.

Adjusted EBITDA

The Group's Adjusted EBITDA increased to \$531m (2024: \$501m).

EBITDA (\$m) Bridge	2025	Adjusting items ¹	2025 - Adjusted	2024	Adjusting items ¹	2024 - Adjusted
Managed & Franchised	150	-	150	108	-	108
Company-owned	881	64	945	840	80	920
Adjusted gross profit	1,031	64	1,095	948	80	1,028
SG&A	(546)	-	(546)	(514)	-	(514)
Allowance for credit losses	(18)	-	(18)	(13)	-	(13)
Depreciation & Amortisation	(293)	-	(293)	(253)	-	(253)
Impairments, disposals and closures	(31)	31	-	(26)	26	-
Operating profit/(loss)	143	95	238	142	106	248
Depreciation on property plant and equipment	238	-	238	199	-	199
Amortisation of intangible assets	55	-	55	54	-	54
Adjusted EBITDA	436	95	531	395	106	501

¹ Adjusting items as per table above.

Network growth

Unprecedented network expansion, increasing our footprint by 16% to 4,609 centres (2024: 3,989). We opened 782 new centres (2024: 624 centres) and rationalised 162 centres (2024: 149 centres). Furthermore, 1,132 new centre deals were signed in 2025. Out of the 1,132 new deals signed 99% of the deals are capital-light which underpins our success of growing the network with minimal capital expenditure.

Of the 782 centres opened in 2025, 769 centres were capital-light openings which comprised managed partnership centres, variable rent centres, franchised centres and joint-venture centres. Only 13 centre openings were on a fully conventional basis.

Our estate of 4,609 centres as per the end of December 2025 is split into 41% or 1,891 in Managed & Franchised, which increased by 69% year-on-year, and 2,718 centres in Company-owned, of which 756 have variable rents. Strong growth in Managed partnership openings is expected to continue through 2026.

Key KPIs	2025	2024	YoY change	YoY change %
Number of centres open	4,609	3,989	620	16%
Centre Openings	782	624	158	25%
Of which capital-light ¹	769	601	168	28%
In %	98%	96%		
Total new centre deals signed	1,132	899	233	26%
Of which capital-light ¹	1,124	852	272	32%
In %	99%	95%		

¹ Includes locations signed/opened in Managed & Franchised and Variable rent areas

System locations movement by type	Dec-24	Centre openings	Centre rationalisations	Change	2025
Conventional	2,004	13	(60)	5	1,962
Variable rent (capital light)	869	36	(42)	(107)	756
Company-owned	2,873	49	(102)	(102)	2,718
Managed and Franchised (capital light)	1,116	733	(60)	102	1,891
Total	3,989	782	(162)	0	4,609

System rooms movement by type ('000)	Dec-24	Centre openings	Centre rationalisations	Change	2025
Conventional	543	5	(14)	(2)	532
Variable rent (capital light)	233	8	(9)	(24)	208
Company-owned	776	13	(23)	(26)	740
Managed and Franchised (capital light)	185	112	(11)	21	307
Total	961	125	(34)	(5)	1,047

Cash flow

\$m	2025	2024
Adjusted EBITDA	531	501
Working capital related to the depreciation of landlord contributions (cost reimbursements) on leased properties	(130)	(117)
Working capital	45	(47)
Maintenance capital expenditure (net)	(92)	(49)
Funding of employee share awards ¹	15	-
Other items	(9)	(12)
Cash inflow from business activities²	360	276
Tax paid	(34)	(35)
Finance costs paid on bank & other facilities	(82)	(74)
Cash inflow before growth capex and corporate activities	244	167
<i>Gross growth capital expenditure</i>	(123)	(107)
<i>Growth-related landlord contributions</i>	41	44
Net growth capital expenditure	(82)	(63)
Purchase of subsidiary undertakings (net of cash)	-	(3)
Cash inflow before corporate activities	162	101
Proceeds from issue of loans, net of related transaction costs	2	808
Proceeds from issue of Eurobond, net of related transaction costs	337	669
Repayment of loans	(6)	(1,278)
Repayment of Convertible bond	(195)	(228)
Payment of ordinary dividend	(14)	(17)
Share buyback	(130)	-
Finance transaction costs	(5)	(30)
Other financing activities, net (incl. Contingent consideration payment on acquisition of companies)	-	(3)
Net cash inflow for the year	151	22
Opening net cash	148	141
FX movements	5	(15)
Closing cash	304	148
The total proceeds from landlord contributions relating to the reimbursement of costs and lease incentives of \$49m (2024: \$56m) are allocated between maintenance landlord contributions of \$41m (2024: \$44m) and growth landlord contributions of \$8m (2024: \$12m)		

1. Expenses in relation to employee share awards are included in Adjusted EBITDA
2. Cash flow before growth capex, tax, finance cost on bank & other facilities, financing activities and dividends

We continued to grow our business and revenues whilst managing our cost base, delivering a 60% increase in cash inflow before corporate activities in 2025 of \$162m (2024: \$101m). Cash flow was positively impacted by payments which were scheduled in 2025, but were paid at the start of 2026. Working capital relating the depreciation of landlord contributions (cost reimbursements) on leased properties refers to historic cash contributions made by landlords for growth capex in the Company-owned segment (shown as growth-related partner contributions further down the cash flow statement) and is amortised over the lifetime of the corresponding lease.

Cash tax paid was \$(34)m in 2025 (2024: \$(35)m) and primarily relates to corporate income tax and withholding taxes paid in various countries in which the Group operates. Finance costs paid on bank and other facilities was \$(82)m in 2025 vs. \$(74)m in 2024, the increase of which is due to the refinancing transactions completed in 2024 and 2025.

Cash inflow before growth capex, financing and dividends was \$244m (2024: \$167m).

Total net capex was \$174m in 2025 (2024: \$112m). Maintenance capex was \$92m in 2025 (2024: \$49m) and has evolved as expected, and, as previously guided, is expected to be around \$100m and growing with inflation going forward. Net growth capex was \$82m in 2025 (2024: \$63m but \$88m as previously reported on a pre-IFRS 16 basis). Net growth capex increased in 2025 primarily due to two factors: firstly, timing differences in the enterprise managed real estate business between when contributions were received and when the related capex was spent and secondly, under US GAAP, capex is recognised when the cash is actually paid. Some accrued (unpaid) capex from 2024 was settled in mid-2025, which has driven a higher year-on-year capex outflow on a US GAAP basis. These two factors should be considered alongside the working capital inflow for 2025.

Capital expenditure \$m	Managed & Franchised	Company-owned	2025	Managed & Franchised	Company-owned	2024
Growth capital expenditure	-	110	110	-	89	89
Landlord contributions to Growth capital expenditure	-	(41)	(41)	-	(44)	(44)
Growth capital expenditure on Intangible Assets	7	6	13	14	4	18
Net Growth capital expenditure	7	75	82	14	49	63
Centre maintenance capital expenditure	-	85	85	-	48	48
Landlord contributions to Maintenance capital expenditure	-	(8)	(8)	-	(12)	(12)
Maintenance capital expenditure on Intangible Assets	-	15	15	-	13	13
Net Maintenance capital expenditure	-	92	92	-	49	49

Financing

During 2025 the Group successfully completed an additional debt transaction, extending the Group's debt maturity, and repurchased a further proportion of the Convertible Bond:

- €300m Euro bonds at an issuance price of 99.369%, a fixed coupon rate of 5.125% and a bullet maturity of 14 May 2032. The bonds are traded on the London Stock Exchange's International Securities Market and were fully hedged into USD, along with the previously unhedged portion of the Group's €625m Euro bonds.
- 2027 0.5% Convertible Bond:
 - The Company repurchased £18m (\$23m) face value of the Convertible Bond at a weighted average price of £0.966, including accrued interest, representing a consideration of £17m (\$22m).
 - On 9 December 2025, bondholders exercised their option to cash settle at par and the Company repaid £136m (\$183m) face value of the Convertible Bonds at a weighted average price of £1, including accrued interest, representing consideration of £136m (\$183m).
 - The Company also closed out all the remaining forward exchange contracts relating to the Convertible Bond on 9 December 2025
 - Following these transactions, £5m (\$6m) in aggregate principal amount of the Convertible Bond remains outstanding.

Net debt

Net financial debt was \$(715)m at 31 December 2025 (31 December 2024: \$(729)m). Net debt came in below expectations this year, and we anticipate it will rise through 2026 to slightly above 2024 levels. The Group's total debt facilities, including details of drawings, is summarised below:

Net Financial Debt \$m	31 Dec 2025	31 Dec 2024
2027 0.5% Convertible Bond	6	199
Euro Bond	991	648
RCF Drawn	-	-
<i>Revolving Credit Facility (RCF)</i>	<i>720</i>	<i>720</i>
<i>RCF guarantee allocation</i>	<i>284</i>	<i>339</i>
<i>Cash RCF available</i>	<i>436</i>	<i>381</i>
Other debt	20	19
Cash and cash equivalents	(302)	(137)
Net financial debt	715	729

At 31 December 2025 the Group complied with all facility covenants.

Dividends

In line with the Group's dividend policy, the Board has agreed to pay a final dividend of 0.93¢ per share (2024: 0.90¢ per share). The dividend is expected to be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026. Dividends are declared in US dollars and paid in pounds sterling with an option for shareholders to elect to receive payment in US dollars. The foreign exchange rate at which the final dividend will be converted into pounds sterling will be the New York closing rate on 1 May 2026.

Share buyback

IWG repurchased and cancelled 48,512,425 ordinary shares for \$130m during 2025, equating to 4.5% of share capital outstanding. The programme average purchase price was £2.0113, a 13.1% discount to the share price as at 31 December 2025. A \$50m tranche of a new programme for 2026 was announced on 31 December 2025. All share buybacks have been carried out in accordance with the authorisation granted by Shareholders.

Foreign Exchange

Per USD\$	2025	2024	%	2025	2024	%
Sterling £	0.74	0.80	7%	0.76	0.78	3%
Euro €	0.85	0.96	12%	0.89	0.93	4%

Risk management

Effective management of risk is an ongoing concern for the Group, and crucially, integral to our growth planning. A detailed assessment of the principal risks and uncertainties which could impact the Group's long-term performance and the risk management structure in place to identify, manage and mitigate such risk will be included in the 2025 Annual Report and Accounts.

Related parties

There have been no changes to the type of related party transactions entered into by the Group that had a material effect on the financial statements for 2025. Details of related party transactions that have taken place in the period can be found in Note 23.

Going concern

The Group reported a profit after tax of \$15m in 2025 (2024: profit of \$18m). Cashflow before growth capex and corporate activities but after interest and tax was \$244m (2024: \$167m). Furthermore, net cash of \$364m (2024: \$272m) was generated from operations during the same period. Although the Group's balance sheet at 31 December 2025 reports a net current liability position of \$2,068m (31 December 2024: \$2,277m), the Directors concluded after a comprehensive review that no liquidity risk exists as:

1. The Group had funding available under the Group's \$720m revolving credit facility of \$436m (31 December 2024: \$381m) which was available and undrawn at 31 December 2025. The facility's current maturity date is June 2029;
2. A significant proportion of the net current liability position is due to lease liabilities which are held in non-recourse special purpose vehicles but also with a corresponding right-of-use asset. A large proportion of the net current liabilities comprise non-cash liabilities such as deferred revenue of \$334m (31 December 2024: \$539m) is expected to be recognised in future periods through the income statement. The Group holds short-term customer deposits of \$621m (31 December 2024: \$584m) which are spread across a large number of customers and no deposit held for an individual customer is material;
3. The Group maintains a 12-month rolling forecast and a three-year strategic outlook. It also monitors the covenants in its debt facilities to manage the risk of potential breach. The Group expects to be able to refinance external debt and/or renew committed facilities as they become due, which is the assumption made in the viability scenario modelling, and to remain within covenants throughout the forecast period. In reaching this conclusion, the Directors have assessed:
 - the potential cash generation of the Group against a range of illustrative scenarios (including a severe but plausible outcome); and

- mitigating actions to reduce operating costs and optimise cash flows during any ongoing global uncertainty.
4. Has ability to access further liquidity through the debt capital markets as demonstrated through the bond issuance in 2024 and 2025
 5. An external assessment from Fitch, a leading global credit rating agency, which has rated the Group and its listed bonds as investment grade with a BBB (Stable) rating and has continued to monitor the Group's financial performance since the initial rating assessment.

Due to the above, the Group does not believe the net current liabilities represents a liquidity risk. The Directors consider that the Group is well placed to successfully manage the actual and potential risks faced by the organisation including risks related to inflationary pressures and geopolitical tensions.

On the basis of their assessment, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these Group consolidated financial statements and consider it appropriate to continue to adopt the going concern basis in preparing the financial statements of the Group.

Charlie Steel
Chief Financial Officer
3 March 2026

International Workplace Group PLC
CONSOLIDATED STATEMENTS OF OPERATIONS

\$m except per share amounts	Notes	FY2025 unaudited	FY2024	FY2023
Revenue	3	3,762	3,756	3,764
Cost of sales exclusive of items shown separately below		2,731	2,808	2,879
Gross profit		1,031	948	885
Selling, general and administrative expenses	2	546	514	496
Allowance for credit losses	3	18	13	19
Impairment of long-lived assets and goodwill	14/15/16	29	83	143
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	14/15/16	2	(57)	32
Depreciation and amortisation before landlord contributions on leased properties	14/16	357	333	386
Depreciation of landlord contributions (cost reimbursements) on leased properties	16	(64)	(80)	(93)
Operating income (loss)		143	142	(98)
Interest expense		(87)	(64)	(54)
Foreign currency gain (loss)		7	(17)	6
Gain on extinguishment of debt	17	1	16	-
Other finance costs		(21)	(19)	(19)
Income (loss) before income taxes and share of income (loss) from equity method investments		43	58	(165)
Income tax (expense)	6	(32)	(40)	(43)
Share of Income (loss) from equity method investments		4	-	(1)
Net income (loss)		15	18	(209)
Net (loss) attributable to noncontrolling interests		(3)	-	(2)
Net income (loss) attributable to the Company		18	18	(207)
Net income (loss) per common share:				
Basic (¢)		1.8	1.8	(20.6)
Diluted (¢)		1.8	1.8	(20.6)

The accompanying notes are an integral part of these Consolidated Financial Statements.

International Workplace Group PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)

\$m	Notes	FY2025 unaudited	FY2024	FY2023
Net income (loss)		15	18	(209)
Other comprehensive income (loss), net of tax:	20			
Foreign currency translation adjustments		47	4	(8)
Changes in unrealised (losses) / gains on cash flow hedges, net of tax		(41)	27	-
Total other comprehensive income (loss)		6	31	(8)
Total comprehensive income (loss)		21	49	(217)
Net loss attributable to non-controlling interests		3	-	2
Foreign currency translation (gains) losses attributable to non-controlling interests		(3)	1	(4)
Comprehensive income (loss) attributable to non-controlling interests		-	1	(2)
Comprehensive income (loss) attributable to the Company		21	50	(219)

The accompanying notes are an integral part of these Consolidated Financial Statements.

International Workplace Group PLC
CONSOLIDATED STATEMENT OF BALANCE SHEETS

\$m except share and per share amounts	Notes	FY2025 unaudited	FY2024
Assets			
Current assets:			
Cash and cash equivalents	2	302	137
Accounts receivable, net	3	419	651
Prepaid expenses	9	165	152
Other current assets	8	390	391
Total current assets		1,276	1,331
Non-current assets:			
Operating lease right-of-use assets	15	5,293	5,161
Property and equipment, net	16	778	784
Intangible assets, net	14	156	176
Deferred tax asset	6	362	357
Goodwill, net	14	1,245	1,173
Equity method investments		59	54
Other non-current assets		147	76
Total non-current assets		8,040	7,781
Total assets		9,316	9,112
Liabilities			
Current liabilities:			
Accounts payable	10	297	232
Short-term debt, net	17	17	212
Deferred revenue	3	334	539
Customer deposits		621	584
Operating lease liabilities	15	1,300	1,154
Accrued expenses and other current liabilities	11	775	887
Total current liabilities		3,344	3,608
Non-current liabilities:			
Long-term debt, net	17	1,070	633
Long-term operating lease liabilities	15	5,022	4,989
Other non-current liabilities	12	185	91
Total non-current liabilities		6,277	5,713
Total liabilities		9,621	9,321
Shareholders' deficit			
Common Shares; par value \$0.0124; 8,000,000,000 shares authorised, 1,008,736,266 issued and outstanding as of 31 December 2025 and 1,057,248,651 issued and outstanding as of 31 December 2024	19	12	13
Treasury Shares at cost; 15,307,650 shares at 31 December 2025, 45,241,020 shares at 31 December 2024	19	(67)	(182)
Additional paid-in capital		324	493
Accumulated deficit		(264)	(268)
Accumulated other comprehensive (loss)	20	(310)	(313)
Total shareholders' deficit		(305)	(257)
Non-controlling interests		-	48
Total shareholders' deficit		(305)	(209)
Total liabilities and shareholders' equity		9,316	9,112

The accompanying notes are an integral part of these Consolidated Financial Statements.

International Workplace Group PLC
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

\$m except share amounts	Notes	<u>Common Stock</u>		Treasury Shares	Additional paid-in capital	Accumulated Deficit	Accumulated other comprehensive income (loss)	Total Shareholders' equity (deficit) - the Company	Non-controlling interests	Total Shareholders' equity (deficit)
		Shares	Amount							
Balance as of 1 January 2023		1,057,248,651	13	(194)	484	(61)	(333)	(91)	61	(30)
Net (loss) income		-	-	-	-	(207)	-	(207)	(2)	(209)
Other comprehensive income (loss), net of tax		-	-	-	-	-	(12)	(12)	4	(8)
Share-based compensation		-	-	1	7	(1)	-	7	-	7
Treasury Share purchases		-	-	(1)	-	-	-	(1)	-	(1)
Balance as of 31 December 2023		1,057,248,651	13	(194)	491	(269)	(345)	(304)	63	(241)
Net income		-	-	-	-	18	-	18	-	18
Other comprehensive income (loss), net of tax		-	-	-	-	-	32	32	(1)	31
Share-based compensation		-	-	-	2	-	-	2	-	2
Dividends declared and paid		-	-	-	-	(17)	-	(17)	-	(17)
Purchase of noncontrolling interests		-	-	12	-	-	-	12	(14)	(2)
Balance as of 31 December 2024		1,057,248,651	13	(182)	493	(268)	(313)	(257)	48	(209)
Net income (loss)		-	-	-	-	18	-	18	(3)	15
Other comprehensive income, net of tax	20	-	-	-	-	-	3	3	3	6
Retirement of derivative liability on NCI repurchase		-	-	9	(3)	-	-	6	-	6
Share-based compensation	5/21	-	-	-	6	-	-	6	-	6
Share buyback and cancellation	19	(48,512,425)	(1)	-	(129)	-	-	(130)	-	(130)
Issuance of shares under Share compensation plans		-	-	36	(21)	-	-	15	-	15
Dividends declared and paid	19	-	-	-	-	(14)	-	(14)	-	(14)
Purchase of noncontrolling interests		-	-	70	(22)	-	-	48	(48)	-
Balance as of 31 December 2025 (unaudited)		1,008,736,226	12	(67)	324	(264)	(310)	(305)	-	(305)

The accompanying notes are an integral part of these Consolidated Financial Statements.

International Workplace Group PLC
CONSOLIDATED STATEMENT OF CASH FLOWS

\$m	Notes	FY2025 (unaudited)	FY2024	FY2023
Cash Flow from Operating Activities:				
Net income (loss)		15	18	(209)
Adjustments to reconcile net income (loss) to net cash provided by Operating Activities:				
Depreciation and amortisation before landlord contributions on leased properties	14/16	357	333	386
Depreciation of landlord contributions (cost reimbursements) on leased properties	16	(64)	(80)	(93)
Operating lease cost	15	1,419	1,394	1,444
Share-based compensation	5/21	6	2	7
Deferred income tax (benefit) expense	6	(9)	(7)	12
Allowance for credit losses		18	13	19
Share of (income) loss from equity method investments		(4)	-	1
Impairment of long-lived assets and goodwill	15/16	29	83	143
(Gain) loss on disposal		(24)	(45)	18
Gain on extinguishment of debt		(1)	(16)	-
Increase (decrease) in provision		1	2	(31)
Changes in operating assets and liabilities:				
Accounts receivable and prepaid expenses		243	(58)	(30)
Other current assets and non-current assets		8	(67)	27
Accounts payable, accrued expenses, and other liabilities		11	34	114
Deferred revenue		(236)	(10)	(13)
Customer deposits		2	21	34
Operating lease liabilities		(1,465)	(1,424)	(1,488)
Proceeds from landlord contributions on leased properties ¹		49	56	57
Other operating activities, net		9	23	1
Net cash provided by operating activities		364	272	399
Cash Flows from Investing Activities:				
Purchases of property and equipment	16	(195)	(137)	(189)
Additions to intangible assets	14	(28)	(31)	(44)
Acquisition of companies, net of cash acquired	13	-	(3)	(7)
Other investing activities, net		6	-	-
Net cash used for investing activities		(217)	(171)	(240)
Cash Flows from Financing Activities:				
Proceeds from issuance of long-term debt	17	2	808	1,237
Proceeds from issue of Euro bonds	17	337	669	-
Payment of debt issuance cost		(5)	(30)	-
Repayment of long-term debt	17	(6)	(1,278)	(1,443)
Repayment of convertible bonds	17	(195)	(228)	-
Dividends paid	19	(14)	(17)	-
Share buybacks	19	(130)	-	-
Contingent consideration payment on acquisition of companies	13	-	(1)	(6)
Share issuance to fund exercise of employees share awards	21	15	-	-
Other financing activities, net		-	(2)	(3)
Net cash provided by (used for) financing activities		4	(79)	(215)
Effects of exchange rate changes on cash, cash equivalents and restricted cash		5	(15)	3
Changes in cash, cash equivalents and restricted cash		151	22	(56)
Net increase (decrease) in cash, cash equivalents and restricted cash		156	7	(53)
Cash, cash equivalents and restricted cash at beginning of period ²		148	141	194
Cash, cash equivalents and restricted cash at end of period²		304	148	141

¹ During the years ended 31 December 2025, 2024, and 2023, the total cash proceeds from landlord contributions on leased properties were \$49 million, \$56 million, and \$57 million, respectively. These amounts include cost reimbursements of \$7 million, \$8 million, and \$27 million, as well as lease incentives of \$42 million, \$48 million, and \$30 million. This is offset by the non-cash amortisation of previous landlord contributions on leased properties receivable of \$130 million (2024: \$117 million).

² Restricted cash is presented within Other current assets and Other non-current assets. Refer to Footnote 2, *Description of the Business and Summary of Significant Accounting Policies*, for further details. All cash in cash and cash equivalents is unrestricted.

International Workplace Group PLC
CONSOLIDATED STATEMENT OF CASH FLOWS

Supplemental Disclosure of Cash Flow Information

\$m	FY2025 unaudited	FY2024	FY2023
Cash paid during the period for interest (net of amount capitalised)	82	74	70
Cash paid during the period for income taxes, net	34	35	43
Supplemental Disclosure of Non-cash Investing & Financing Activities			
Non-cash purchase of property and equipment	28	43	25
Non-cash purchase of intangible assets	-	10	1
Utilisation of treasury shares for acquisition of non-controlling interest	70	12	-
Additional ASC 842 Supplemental Disclosures			
Cash paid for amounts included in the measurement of operating lease liabilities	1,465	1,424	1,488
Cash received for operating lease incentives — landlord contributions	(42)	(48)	(30)
Right-of-use assets obtained in exchange for operating lease obligations	290	276	286
Increase in right-of-use assets and operating lease liabilities for lease reassessment	897	714	670
Reduction in right-of-use assets and operating lease liabilities for lease reassessment	(242)	(422)	(327)

The accompanying notes are an integral part of these Consolidated Financial Statements

International Workplace Group PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Authorisation of financial statements

The financial information presented in this preliminary release does not constitute full statutory financial statements. The Annual Report and Financial Statements will be approved by the Board of Directors and reported on by the Auditor in due course. Accordingly, the financial information is unaudited. The Group financial statements for the year ended 31 December 2024 have been published. The audit report on those financial statements was unqualified.

International Workplace Group plc ("IWG") is a public limited company incorporated in Jersey and registered and domiciled in Switzerland. The Company's ordinary shares are traded on the London Stock Exchange. The Group and Company financial statements for the year ended 31 December 2025 were authorised for issue by the Board of Directors on 3 March 2026 and the balance sheets were signed on the Board's behalf by CEO Mark Dixon and CFO Charlie Steel.

The Group financial statements have been prepared and approved by the Directors in accordance with Companies (Jersey) Law 1991 and accounting principles generally accepted in the United States of America ("US GAAP"). The Company prepares its parent company annual accounts in accordance with accounting policies based on the Swiss Code of Obligations.

Note 2. Description of the Business and Summary of Significant Accounting Policies

Description of business

International Workplace Group plc, and its subsidiaries (collectively "the Company"), is the world's largest hybrid workspace platform with a network in over 120 countries through flexible workspace brands such as Regus, Spaces, HQ and Signature. International Workplace Group plc owns, manages and is a franchise operator of a network of business centres which are utilised by a variety of business customers. As of 31 December 2025, the Company manages its operations through three operating segments: Company-owned, Managed & Franchised, and Digital and Professional Services. From 1 January 2026, the Company has consolidated its Digital and Professional Services operating segment into its other two operating segments.

All references to "we", "us", "our", "IWG", "Group" and the "Company" are references to International Workplace Group plc and its subsidiaries on a consolidated basis.

Basis of Presentation

The Directors are responsible for preparing the Company's consolidated financial statements using applicable GAAP, as prescribed in the Companies (Jersey) Law 1991. Since the 31 December 2024 Group financial statements were authorised to be issued, the basis of preparation changed from International Financial Reporting Standards as adopted by the European Union ('Adopted IFRSs') to US GAAP. All values are in US dollars and rounded to millions, except where indicated otherwise.

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

In assessing the appropriateness of adopting the going concern basis consideration was given to forecast cash flows (including stress testing), liquidity requirements and covenant compliance. The forecasts indicate that the Company will remain within its existing facilities and comply with all banking covenants throughout the assessment period under both base case and reasonably possible downside scenarios.

Based on the assessment performed, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Company continues to adopt the going concern basis in preparing the financial statements.

Principles of Consolidation

Our consolidated financial statements include the accounts of our wholly owned subsidiaries and other non-wholly owned entities in which we have a controlling financial interest, including variable interest entities ("VIE") for which we are the primary beneficiary.

The Company consolidates entities in which it has a controlling financial interest based on either the variable interest entity (VIE) or voting interest model. The Company is required to first apply the VIE model to determine whether it holds a variable interest in an entity, and if so, whether the entity is a VIE. If the Company determines it does not hold a variable interest in a VIE, it then applies the voting interest model. Under the voting interest model, the Company consolidates an entity when it holds a majority voting interest in an entity.

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The Company determines, at the inception of each arrangement, whether an entity in which it has made an investment or in which it has other variable interests in is to be considered a VIE. An entity is considered to be a VIE if any of the following conditions exist: (a) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support, (b) the holders of the equity investment at risk, as a group, lack either the direct or indirect ability through voting rights or similar rights to make decisions that have a significant effect on the success of the entity or the obligation to absorb the entity's expected losses or right to receive the entity's expected residual returns, or (c) the voting rights of some equity investors are disproportionate to their obligation to absorb losses of the entity, their rights to receive returns from an entity, or both and substantially all of the entity's activities either involve or are conducted on behalf of an investor with disproportionately few voting rights. The Company consolidates a VIE when it is deemed to be the primary beneficiary. The primary beneficiary of a VIE is the party that meets both of the following criteria: (i) has the power to direct the activities that most significantly affect the economic performance of the VIE; and (ii) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. Periodically, the Company determines whether any changes in its interest or relationship with the entity impact the determination of whether the entity is still a VIE and, if so, whether the Company is the primary beneficiary. If the Company is not deemed to be the primary beneficiary in a VIE, the Company accounts for the investment or other variable interest in a VIE in accordance with the applicable requirements of US GAAP.

All material intercompany transactions and balances have been eliminated in consolidation. References in these financial statements to net income (loss) attributable to the Company and total shareholders' equity (deficit) – the Company do not include noncontrolling interests, which represent the third-party ownership interests of our consolidated non-wholly owned entities and are reported separately in the Consolidated Balance Sheets, Consolidated Statements of Operations, and Consolidated Statements of Comprehensive Income (Loss) and Consolidated Statements of Changes in Equity.

Noncontrolling interests primarily related to The Instant Group. On 8 March 2022, the Company completed the acquisition of 100% equity interest in The Instant Group (reference Note 13, *Acquisitions*, for further details). In a separate transaction, the Company sold a 13.4% noncontrolling equity interest in a subsidiary of the Digital and Professional Services structure for a consideration of \$69 million.

During the year ended 31 December 2024, the Company increased its equity voting rights in a Digital and Professional Services subsidiary to 89.3% (from 86.6% as of 31 December 2023) for \$14 million. The purchase was in accordance with election agreements originally enacted during the establishment of Digital and Professional Services in 2022.

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On 30 April 2025, the Company completed the acquisition of the remaining noncontrolling interests in the Digital and Professional Services reportable segment in exchange for 23,095,239 common shares of International Workplace Group plc. From May 2025 onward, the Company no longer has any material non-controlling interests.

In 2020, Redox Plc was deconsolidated from the Company due to a loss of control following bankruptcy proceedings. As a result of emergence from bankruptcy on 25 April 2025, the Company reassessed its involvement with Redox Plc in accordance with ASC 810, *Consolidation*, and determined it had regained control of the entity. The criterion for applying fresh start accounting for Redox Plc is not met as the Company held 100% of the voting shares before commencement of the proceedings and upon emergence from bankruptcy. As part of regaining control, the Company received \$20 million in cash and recognised \$6 million of accrued expenses and other current liabilities, which were recorded on the Consolidated Balance Sheets, with the corresponding Consolidated Statements of Operations impact included in Selling, general and administrative expenses. The results of operations from Redox Plc are included in the Company's Consolidated Financial Statements from 25 April 2025.

Reorganisation

Upon completion of the acquisition of the remaining non-controlling interests in the Digital and Professional Services subsidiary on 30 April 2025, the Company reorganised its reporting structure ("Reorganisation"), changing the composition of operating segments within the Digital and Professional Services reportable segment. To reflect the Reorganisation, assets and liabilities (including goodwill) were reassigned between reportable segments. Please reference Note 4, *Segments*, and Note 14, *Goodwill and intangible assets*, for further information.

Use of Estimates

The preparation of the Consolidated Financial Statements, in accordance with US GAAP, requires management to make estimates and assumptions that affect the amounts reported, disclosed and, accordingly, actual results could differ from those estimates. The Company bases its estimates on the information available at the time and its experiences. The estimates underlying the Company's Consolidated Financial Statements relate to, among other things, cash flows used in the assessment of impairment of goodwill, intangibles, property and equipment and right-of-use assets, reserves for uncertain tax positions, valuation of derivatives, valuation allowances on deferred tax assets, incremental borrowing rates on leases and the fair value of property and equipment, intangibles and leasehold assets and liabilities acquired in business combinations. Adjustments may be made in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain.

Revenue Recognition

The Company's primary activity is the provision of fully integrated, end-to-end flexible global workspace solutions to customers. Revenue represents the total amount receivable for services provided, excluding sales-related taxes and intercompany transactions. The Company's primary revenue categories, related performance obligations and associated revenue recognition patterns are as follows:

Workspace

Within the Company-owned segment, the Company acts as principal in these arrangements as it controls the workspace through direct ownership or a leasing arrangement. Performance obligations are satisfied over time by transferring services relating to the provision of the workspace through contracts with customers which may take the form of sub-leases which are classified as operating leases. These contracts include different forms of workspace including coworking, meeting room, fixed, day and virtual workspaces.

Invoices are issued monthly 30-60 days in advance and initially recognised as deferred revenue (contract liability) with payments due from customers in advance of the provision of the workspace or in accordance with a sub-lease payment schedule. Customer deposits are billed and collected prior to services being provided, enhancing customer collectability.

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Customer contracts vary in length and typically include renewal options. Revenue on these contracts is recognised over the initial contract period only. Transaction price is predominantly fixed in customer contracts with any variability in the transaction price relating to the volume of customer usage of the workspace recognised in the period of usage or pricing escalators. When the transaction price is discounted in the opening period of the term of the contract, revenue recognised is constrained to the amount invoiced in the appropriate period. Sub-lease income is typically accounted for on a straight line basis over the term of the sub-lease.

Fee Income

The Company acts as an agent in these arrangements as it operates but does not lease or control the workspace related to the services that are provided. Performance obligations are satisfied over time by transferring services relating to the provision of management and franchise services relating to the use of physical and virtual workspace.

The Company generates revenue through a management fee model whereby the Company enters into operational support arrangements for the respective centre location on behalf of the partner. The Company also generates revenue through a franchise model whereby the Company enters franchise arrangements licensing its symbolic intellectual property (e.g., Regus, Spaces brands) and proprietary methods / processes.

Fees received for the provision of initial set up fees are recognised at a point-in time when they relate to separate and distinct performance obligations. The contractual price for initial set up fees is typically considered to reflect the attributable transaction price. Subsequent services are recognised over time as the services are rendered. Fees charged for the use of continuing rights granted by the agreement are typically measured based on contractually agreed percentage of revenue generated by the operation. Invoices are generally issued monthly and settled within 30-60 days with invoiced amounts deducted from any amounts due to the partner.

Deposits received from customers against non-performance of contracts are held on the Consolidated Balance Sheets either as customer deposits within current liabilities or as other non-current liabilities until they are either returned to the customer at the end of their relationship with the Company or released to the Consolidated Statements of Operations.

Services and other income

The Company typically acts as principal in these arrangements as it controls the technology and processes relating to the provision of workspace bookings, membership programmes, consulting services, office starter kits and inventory management. Services also include ancillary services provided within and outside the Company's leased workspace such as virtual office services, day offices and short-term meeting rooms. In some circumstances where the Company acts as an agent for the sale and purchase of goods to customers, only the agent fee earned is recognised as revenue.

Invoices are issued at point of sale or monthly depending on the nature of the service being provided and recognised as revenue when the services are rendered in the period that the invoices are raised with the exception of memberships which are deferred and recognised over time within the period that the benefits of the membership card are expected to be provided. Customer payments may be collected at the point of sale or immediately upon receipt of the invoice.

Transaction price is predominantly fixed in customer contracts with any variability in the transaction price relating to the volume of customer activity recognised in the period of the activity.

Contract Assets and Contract Liabilities

Contract Assets represent amounts due from customers in advance of collection invoices being raised. These amounts include certain services provided relating to office space sub-leased under the Digital and Professional Services segment and amounts invoiced in a subsequent month relating to variable revenue based upon the volume of customer usage in the prior month.

Contract liabilities represent collections from customers in advance of services being provided in accordance with contractual arrangements with customers. Contract liabilities are presented as deferred revenue and classified as current liabilities as they are expected to be recognised as revenue within the next twelve months.

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Cost of Sales

Cost of sales includes expenses related to the operation of the Company's business centres and provision of digital and professional services. These include, but are not limited to, operating lease costs such as base rent and tenancy costs including the Company's share of real estate and related taxes and common area maintenance charges, employee and related expenses, building operational costs such as utilities, maintenance and cleaning, insurance costs, office expenses such as telephone, internet and printing costs, security expenses, parking expense, credit card processing fees, building events, food and other consumables, and other costs of operating the business centre locations. Employee compensation costs included in location operating expenses relate to the salaries, bonuses and benefits relating to the teams managing the business centres on a daily basis including facilities management.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of sales and marketing expenses, advertising costs, personnel and related expenses for corporate employees, technology, consulting, legal and other professional services expenses, lease costs for our corporate offices, and various other costs we incur to manage and support our business. General and administrative expenses are expensed as incurred. The Company recorded external marketing expenses of \$168 million, \$135 million and \$136 million for the years ended 31 December 2025, 2024 and 2023, respectively.

Share-Based Compensation

The share awards programme entitles certain directors and employees to acquire shares of the ultimate parent company (International Workplace Group plc); these awards are granted by the ultimate parent company (International Workplace Group plc) and are equity-settled. The fair value of the options and awards granted under the Company's share-based payment plans outlined in Note 21 *Stock-based Compensation* are included in the same line item on the Consolidated Statements of Operations as the underlying director and employee expenses with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted are measured using either the Black-Scholes valuation model or the Monte Carlo method, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest in respect of non-market conditions except where forfeiture is due to the expiry of the option.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognised based upon the estimated future tax consequences attributable to bases differences between the financial statement carrying amount of existing assets and liabilities and their respective tax basis, as well as operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in income tax expense (benefit) in the period the tax rates are enacted.

The Company's deferred tax assets are reduced by a valuation allowance if, based on the weight of available evidence, it is more likely than not (a likelihood of more than 50 percent) that some portion or all of the deferred tax assets will not be realised. The Company evaluates the realisability of deferred tax assets for each of the jurisdictions in which they operate by assessing all positive and negative evidence. This includes historical operating results, known or planned operating developments, the period of time over which certain temporary differences will reverse, consideration of the reversal of certain deferred tax liabilities, tax law carry back capability in the particular country, and prudent and feasible tax planning strategies. After evaluation of these factors, if the deferred tax assets are expected to be realised within the tax carry forward period allowed for that specific country, the Company would conclude that no valuation allowance would be required. To the extent that the deferred tax assets exceed the amount that is expected to be realised within the tax carry forward period for a particular jurisdiction, the Company establishes a valuation allowance.

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The Company recognises benefits from tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the positions. The tax benefits recognised in the combined financial statements from such positions are measured as the largest amount of tax benefit that is greater than 50 percent likely of being realised upon settlement. Judgement is required in evaluating tax positions and determining unrecognised tax benefits. The Company re-evaluates the technical merits of its tax positions and may recognise the benefit of a tax position in certain circumstances, including when: (1) a tax examination is completed; (2) applicable tax laws change, including through a tax case ruling or legislative guidance; or (3) the applicable statute of limitations expires. The Company recognises interest and penalties associated with income taxes in income tax expense (benefit) in the Consolidated Statements of Operations.

The Company is within the scope of the OECD Pillar Two model rules. Pillar Two legislation has been enacted or substantively enacted in many of the jurisdictions where IWG operates. In Switzerland, a domestic minimum tax rule was introduced with effect from 1 January 2024 followed by an Income Inclusion Rule (IIR) from 1 January 2025.

Earnings Per Share

Basic earnings per share is calculated by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share is computed by giving effect to all potentially dilutive common shares outstanding during the period. Potentially dilutive common shares include outstanding share options calculated using the treasury share method and potentially issuable shares to bondholders calculated using the if-converted method.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash at bank and in hand, as well as all highly liquid investments with a maturity of three months or less when purchased.

Restricted Cash

The Company is required to maintain cash deposits with certain banks which consist of deposits restricted under contractual agreements or legal disputes. Deposits with landlords are presented separately as security deposits and are not considered restricted cash.

The following represents a reconciliation of cash and cash equivalents in the Consolidated Balance sheets to cash, cash equivalents and restricted cash in the Consolidated Statements of Cash Flows:

\$m	FY2025	FY2024
Cash and cash equivalents	302	137
Restricted cash ¹	2	11
Cash, cash equivalents and restricted cash	304	148

Acquisitions

The Company allocates the fair value of purchase consideration to tangible assets and intangible assets purchased and liabilities assumed on the basis of their fair values at the date of acquisition. Any excess of fair value of net tangible and intangible assets acquired is allocated to goodwill. In determining the fair values of assets acquired and liabilities assumed, the Company uses various recognised valuation methods when a market value is not readily available. Further, assumptions are made within certain valuation techniques, including discount rates and the amount and timing of future cash flows. During the measurement period, which is up to one year from the acquisition date, the Company may record adjustments to the fair value of the purchase consideration and the allocation of the purchase consideration to all tangible and intangible assets acquired and identified and liabilities assumed if the Company obtains new information about facts and circumstances that existed as of the acquisition date. Net assets and results of operations of an acquired entity are recorded in the Financial Statements from the acquisition date. Acquisition-related costs are expensed as they are incurred.

¹ As of 31 December 2025 and 2024, the following amounts of restricted cash were included in other current assets: \$2 million and \$8 million, respectively. Otherwise, all other restricted cash was included within other non-current assets.

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Goodwill and Indefinite-Lived Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of the assets acquired less liabilities assumed in business combinations. Goodwill is assigned to reporting units, which are the business centres, grouped by country/geographical region of operation and type (managed or owned), and Digital and Professional Services. Acquired intangible assets are recorded at fair value. The Company also carries the Regus brand of which the value of is intrinsically linked to the continuing operation of the Company, thus it has been determined to have an indefinite useful life. Goodwill and indefinite-lived intangible assets are not amortised, but instead are tested for impairment at least annually, or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired and is required to be written down when impaired. Impairment of goodwill and indefinite-lived intangible assets is included in Impairment of long-lived assets and goodwill and other assets on the Consolidated Statements of Operations.

The Company tests goodwill for potential impairment at least annually in the fourth quarter, or more frequently if an event or other circumstance indicates that we may not be able to recover the carrying amount of the net assets of the reporting unit. The guidance for impairment testing begins with an optional qualitative assessment to determine whether it is more likely than not that goodwill or the brand is impaired. The Company is not required to perform a quantitative impairment test unless it is determined, based on the results of the qualitative assessment, that it is more likely than not that goodwill or the brand is impaired. The quantitative impairment test is prepared at the reporting unit level for goodwill and qualitative factors considered include but are not limited to general economic conditions, outlook for the industry, and the Company's recent and forecasted financial performance. In performing the goodwill impairment test, management compares the estimated fair values of the applicable reporting units to their aggregate carrying values, including goodwill. If the carrying amounts of a reporting unit including goodwill were to exceed the fair value of the reporting unit, an impairment loss is recognised within our Consolidated Statements of Operations in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit.

The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions with respect to the business and financial performance of the Company's reporting units. These estimates and assumptions primarily include, but are not limited to, discount rates, terminal growth rates, occupancy rates, forecasts of revenue, operating income, working capital requirements and capital expenditure.

Impairment of Long-Lived Assets and Finite-Lived Intangible Assets

Long-lived assets, including right-of-use assets, property and equipment and other finite-lived intangible assets are evaluated for recoverability when events or changes in circumstances indicate that the asset may have been impaired. In evaluating an asset for recoverability, the Company considers the future cash flows expected to result from the continued use of the asset and the eventual disposition of the asset. If the sum of the expected future cash flows, on an undiscounted basis, is less than the carrying amount of the asset, an impairment loss equal to the excess of the carrying amount over the fair value of the asset is recognised. Impairment losses cannot be reversed in subsequent periods.

We evaluate potential impairment at the asset group level. We allocate the impairment loss related to an asset group among the various assets within the asset group pro rata based on the relative carrying values of the respective assets. Impairment of long-lived and finite-lived intangible assets, including right-of-use assets, is included in Impairment of long-lived assets and goodwill on the Consolidated Statements of Operations.

Leases

The Company primarily leases property for its collaborative workspaces and other locations globally and determines if an arrangement contains a lease at the inception of a contract. At the inception of each lease, the Company determines if an arrangement is or contains a lease and classifies it as operating or financing lease depending on the underlying nature of the arrangement. Substantially all of the Company's leases are classified as operating leases.

Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease during the lease term. Right-of-use assets and lease liabilities are recognised at the commencement date based on the present value of the minimum lease payments to be made over the lease term, adjusted for initial direct costs.

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The lease term is the non-cancelable period of the lease adjusted for any renewal or termination options which are reasonably certain to be exercised. Management applies judgement in determining whether it is reasonably certain that a renewal or termination option will be exercised, taking into account the length of time remaining before the option is exercisable, macro-economic environment, socio-political environment and other lease specific factors. Where the lease term has been determined as the period from inception up to a break clause and break penalties exist, these amounts are included in the measurement of the lease liability. Short-term leases with an initial term of 12 months or less are not recorded on the Consolidated Balance Sheets and expenses are recognised in the Consolidated Statements of Operations as incurred.

In calculating the present value of lease payments, the Company utilises its incremental borrowing rate to discount the lease payments as the interest rate implicit in the lease is not readily determinable. The determination of applicable incremental borrowing rates on leases at the commencement of lease contracts also requires judgement. The Company determines its incremental borrowing rates by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease. The Company considers the relevant market interest rate, based on the weighted average of the timing of the lease payments under the lease obligation. In addition, a spread over the market rate is applied based on the cost of funds to the Company, plus a spread that represents the risk differential of the lessee entity compared to the Company funding cost.

Lease payments included in the measurement of the lease liability comprise the following: Fixed payments, including in-substance fixed payments, owed over the lease term (including termination penalties the Company would owe if the lease term reflects the Company's exercise of a termination option) and variable lease payments that depend on an index or rate, initially measured using the index or rate at the lease commencement date;

For operating leases, the lease liability is measured at the present value of the unpaid lease payments at the reporting date. Variable lease costs are not included as lease payments in the calculation of the lease obligation and are included in variable lease costs in the Consolidated Statements of Operations, as incurred and when probable. Variable lease payments consist of escalation terms on the amount of base rent which may vary by market due to changes in a rate or index and of contingent rent payments based on percentages of revenue or other profitability metrics as defined in the lease.

The right-of-use asset is measured as the amount of the lease liability with adjustments, if applicable, for remaining balances of any lease prepayments made prior to or at lease commencement, initial direct costs incurred by us, and lease incentives, recorded net of impairment. Operating leases costs relating to fixed lease payments are expensed on a straight-line basis over the lease term in the Consolidated Statements of Operations. For operating leases for which the right-of-use asset has been impaired, the lease expense is determined as the sum of the amortisation of the right-of-use asset remaining after impairment, if any, on a straight-line basis over the remaining term of the lease and the accretion of the lease liability based on the discount rate applied to the lease liability.

The Company monitors for events or changes in circumstances that require a reassessment of one of its leases. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding right-of-use asset unless doing so would reduce the carrying amount of the right-of-use asset to an amount less than zero. In that case, the right-of-use asset is reduced to zero and the remainder of the adjustment is recorded in the Consolidated Statements of Operations.

The Company expends cash for leasehold improvements and to build out and equip its leased properties. Generally, a portion of the cost of leasehold improvements is reimbursed to the Company by business partners (property owners and landlords) as landlord contributions. Landlord contributions are substantially received at or near the lease commencement date for commercial reasons and, where the Company retains accounting ownership of the fit-out assets, are accounted for as a lease incentive and recognised by reducing the right-of-use asset. If accounting ownership is not retained, the landlord contributions are recognised as cost reimbursements by reducing the related leasehold improvements within property, plant and equipment.

(Gain) loss on disposal of long-lived assets and other closure related (credits) costs

(Gain) loss on disposal of long-lived assets and other closure related (credits) costs income statement financial statement line item includes the derecognition of leases liabilities and right-of-use assets previously recognised on early terminated leases and other closure costs relating to closed centres, as well as the (gain) loss of the disposal of long-lived assets, including property and equipment.

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Finite-lived Intangible Assets, net

Acquired intangible assets are carried at cost and finite-lived intangible assets are amortised on a straight-line basis over their estimated useful lives. Intangible assets, net consists of purchased software, customer lists, and the Regus corporate tradename. The Company capitalises purchased software when the amounts have a useful life or contractual term greater than twelve months. Purchased software consists of software products and licenses which are amortised over the lesser of their estimated useful life or the contractual term, generally up to five years.

Intangible assets are amortised on a straight-line basis over the estimated useful life of the assets as follows:

Brand – Regus Brand	indefinite Life
Brand – Other acquired brands	20 years
Computer and internal use software	up to 5 years
Customer lists – service agreements	2 years
Customer lists – sub-lease agreements	up to 5 years

Finite-lived intangible asset amortisation is included in Depreciation and amortisation on the Consolidated Statements of Operations.

The Company capitalises costs incurred to develop internal-use software during the application development and enhancement phase in Intangible assets, net on the Consolidated Balance Sheets. Costs related to preliminary project and post-implementation activities are expensed as incurred. Upgrades and enhancements that result in additional functionality are also capitalised. Costs are capitalised only when management has formally approved and funded the project, and it is probable that the project will be completed and the software will be used as intended. Once these criteria are met, costs incurred during the application development or enhancement phase are capitalised within Intangible assets net on the Consolidated Balance Sheets.

Amortisation is included in Depreciation and amortisation on the Consolidated Statements of Operations once the software is substantially complete and ready for its intended use. The estimated useful life is typically 5 years.

The Company capitalises all software implementation costs that meet the criteria for capitalisation, including those that relate to a service contract (e.g. hosting arrangements). All contracts which are hosting arrangements, or which contain a hosting element are assessed to determine whether the contract is a service arrangement. The capitalised implementation costs for contracts which are not service arrangements are included in Intangible assets, net on the Consolidated Balance Sheets and are amortised together with the costs of the related software license through Depreciation and amortisation on the Consolidated Statements of Operations. The implementation costs for service contracts are treated as prepaid assets and are expensed through General and administrative expenses on the Consolidated Statements of Operations over the term of the arrangement. The implementation costs for hosting arrangements are amortised over the life of the hosting arrangement, including reasonably certain renewal periods.

Property and Equipment, net

Property and equipment are stated at cost, less accumulated depreciation and impairment losses. Depreciation is provided on a straight-line basis over the estimated useful lives of owned assets. The estimated useful lives of the Company's property and equipment are as follows:

Buildings	50 years
Leasehold improvements	Shorter of lease term or 10 years
Computer hardware	3 to 5 years
Furniture and equipment	5 to 10 years

The Company incurs a variety of costs to customise or enhance leased premises to suit its operational needs in the construction of leasehold improvements. These improvements may include structural modifications, installation of fixtures, or interior enhancements made to the leased property. After a determination is made to capitalise a cost, it is allocated to the specific component of a project that is benefited. Leasehold improvements are capitalised when they provide future economic benefits and are directly attributable to preparing the leased space for its intended use. The Company capitalises costs until a project is substantially completed. Subsequent expenditures that extend the useful life of an asset are also capitalised.

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The Company commonly undertakes leasehold improvements at the beginning of a lease. Certain lease agreements contain provisions that require us to remove leasehold improvements at the end of the lease term. When such an obligation exists, we record an asset retirement obligation at the inception of the lease at its estimated fair value, so long as a reasonable estimate of the fair value can be made. These obligations are recorded within other non-current liabilities on the Consolidated Balance Sheets. Accretion costs associated with the obligations are recognised as depreciation expense.

Allowance for Credit Losses

Accounts receivable are stated at the amount the Company expects to collect, which is net of an allowance for expected credit losses. The Company calculates expected credit losses for trade accounts primarily based upon the aging of the underlying receivable. Other factors such as the assumptions related to the business prospects and financial condition of customers and marketing affiliates, macroeconomic conditions, inflationary pressures, potential recession, and the Company's ability to collect the receivable or recover the receivable may also impact the allowance. Recorded liabilities associated with customer deposits held are also considered when estimating the allowance for credit losses as we have the contractual right to apply the customer deposits to outstanding receivables.

Fair Value Measurement

The Company applies fair value accounting for financial assets and liabilities and certain non-financial assets and liabilities that are recognised or disclosed at fair value in the financial statements on a recurring and non-recurring basis. Fair value is the price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company has not elected to apply a fair value option to measure assets and liabilities at fair value.

When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorised in one of the following levels:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities in an active market. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 – Observable inputs other than quoted prices in active markets, such as quoted prices in less active markets or model-derived valuations, that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3 – Unobservable inputs for which there is little or no market data available that are significant to the fair value of the assets or liabilities at the measurement date.

Transfers between the categories above are presented as occurring at the end of the financial period.

Reference Note 18, *Fair Value Measurements*, for further discussion.

Interest-bearing borrowings and other financial liabilities

Financial liabilities, including interest-bearing borrowings such as the Euro bonds, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, financial liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the Consolidated Statements of Operations over the period of the borrowings on an effective interest rate method.

Convertible bonds issued by the Company and convertible to ordinary shares or cash at the option of the holder are recognised as debt at fair value and subsequently at amortised cost using the effective interest rate method. Directly attributable transaction costs are deducted from the fair value of the debt.

Derivatives

From time to time the Company uses derivative financial instruments to manage its transactional foreign exchange exposures where these exposures cannot be eliminated through balancing the underlying risks. No transactions of a speculative nature are undertaken.

All derivatives are recorded at fair value. On the date the derivative contract is entered into, the Company may designate the derivative as a hedging instrument, and, if so, all relationships between hedging activities are formally documented. If a derivative is not specifically designated as a cash flow hedge or another type of hedging instrument, changes in the fair value of the undesignated derivative are reported in current period earnings. Cash flows from undesignated derivatives are included as an investing activity in the Consolidated Statements of Cash Flows.

International Workplace Group PLC
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Derivative Instruments Designated as Cash Flow Hedge

The Company uses derivative financial assets and liabilities as hedging instruments to manage exposure to variability in cash flows arising from changes in interest rates and foreign currency related to the Company's debt. These derivatives are designated as cash flow hedges and are considered to be highly effective. The Company does not use derivatives for trading or speculative purposes. Changes in the unrealised fair value of these derivatives are recognised in accumulated other comprehensive income/(loss) on the Consolidated Balance Sheets and transferred to the Consolidated Statements of Operations in the same period as the underlying hedged transaction.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated within Accumulated other comprehensive income/(loss) on the Consolidated Balance Sheets remains until it is reclassified to Consolidated Statements of Operations in the same period or periods and same line item as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been recorded within Accumulated other comprehensive income/(loss) on the Consolidated Balance Sheets and the corresponding cost are immediately reclassified to Consolidated Statements of Operations.

Cash receipts or payments on settlement of a derivative contract are reported in the Consolidated Statements of Cash Flows consistent with the nature of the underlying hedged item.

Accounts payable

Accounts payable consist of amounts the Company owes to third parties, such as suppliers or vendors, for goods and services that have been received but not yet paid for.

Equity Investments

The Company's equity investments relate to individual business centres in various locations that are accounted for using the equity method of accounting, given each investment provides the ability to exercise significant influence, but not control, over operating and financial policies of the investee. Judgement regarding the level of influence over investment includes considering key factors such as the Company's ownership interest, legal form of the investee, representation on the board of directors, participation in policy-making decisions and material intra-entity transactions. The Company's equity investments are recorded at cost minus impairment, if any, plus or minus the Company's share of the investees' income or loss included in Share of (loss) income from equity method investments on the Consolidated Statements of Operations. Losses in excess of the carrying amount of equity investments are recognised even if the Company does not have a legal or constructive obligation to fund such losses.

Dividends received from equity investments are recorded against the carrying amount of the Company's investment. Equity investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Factors considered by the Company when reviewing an equity investment for impairment include the length of time (duration) and the extent (severity) to which the fair value of the equity investment has been less than cost, the investee's financial condition and near-term prospects and the intent and ability to hold the investment for a period of time sufficient to allow for anticipated recovery. An impairment that is other-than-temporary is recognised in the period identified.

Foreign Currency

The reporting currency of the Company is the U.S. dollar. Effective 1 January 2024, the Company's ultimate parent adopted the U.S. dollar as its functional currency. Prior to 1 January 2024, the functional currency of the Company's ultimate parent was the British pound sterling. The functional currency of the Company's ultimate parent and each subsidiary is based on the currency of the primary economic environment in which they operate, which is generally their local currency.

The change in functional currency of the Company's ultimate parent is due to a change in the economic facts and circumstances of the entity due to the increased exposure to the U.S. dollar primarily as a result of the growth in international operations, redenomination of its Revolving Credit Facility, the issuance of Euro Bonds, the majority of the proceeds which were swapped into US dollars, and the conversion of other arrangements to US dollars. The effect of the change in functional currency for the Company's ultimate parent was applied prospectively in the Consolidated Financial Statements effective 1 January 2024.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Assets and liabilities of non-USD functional currency operations are translated into USD at the prevailing foreign currency exchange rates in effect as of the financial statement date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Revenues, expenses and cash flows are translated at the average foreign currency exchange rates for the period. Equity is translated primarily at historical exchange rates and the resulting cumulative translation adjustments are included as a component of Accumulated other comprehensive income (loss) in the Consolidated Balance Sheets. Gains and losses from foreign currency exchange rate changes related to transactions denominated in a currency other than an entity's functional currency are included in Foreign currency gains (loss) on the Consolidated Statements of Operations.

Contingencies

Commitments represent legally binding arrangements that obligate the Company to future performance under contractual agreements. Commitments primarily include non-cancelable operating and finance lease agreements, purchase commitments, capital expenditure commitments, and other executory contracts.

Lease commitments, including related lease guarantees, are accounted for in accordance with ASC 842, *Leases*. Purchase and other non-lease commitments are not recognised as liabilities until goods or services are received or the Company becomes otherwise obligated under the terms of the agreement. Significant commitments are disclosed when material.

The Company assesses its liabilities and contingencies for outstanding legal proceedings and reserves are established on a case-by-case basis for those legal claims for which management concludes that it is probable that a loss will be incurred and that the amount of such loss can be reasonably estimated. The determination of whether a loss is probable and whether the amount of the loss can be reasonably estimated requires significant judgement and evaluation of all the underlying facts and circumstances including judgements about the potential actions of third-party claimants, regulatory authorities, and courts. If the amount of the loss cannot be reasonably estimated, information about the contingency is disclosed in the financial statements. Legal costs incurred in connection with loss contingencies are expensed as incurred.

The Company accounts for guarantees in accordance with ASC 460 *Guarantees*.

At inception, the Company recognises a liability for the fair value of an obligation undertaken in issuing a guarantee, unless the guarantee is excluded from the initial recognition and measurement provisions of ASC 460.

Recent Accounting Pronouncements Not Yet Adopted

The recently issued but not yet effective Accounting Standard Update ("ASU") applicable to the Company during the year ended 31 December 2025 are disclosed below. None of the *Recent Accounting Pronouncements Not Yet Adopted* disclosed in Note 1, *Description of the Business and Summary of Significant Accounting Policies*, of the audited consolidated US GAAP financial statements as of and for the year ended 31 December 2024, were adopted during the year ended 31 December 2025.

Business Combinations and Consolidation

In May 2025, the Financial Accounting Standards Board issued ASU 2025-03 Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity. The amendments in the update require an entity involved in an acquisition transaction primarily through the exchange of equity interests, where the legal acquiree is a VIE that meets the definition of a business, to consider specific factors outlined in paragraphs 805-10-55-12 through 55-15 to determine which entity qualifies as the accounting acquirer. This ASU is effective for fiscal years beginning after 15 December 2026, and interim reporting periods within those annual reporting periods. The amendments are applied prospectively. The Company will consider this guidance and assess the likely impact when accounting for any future acquisitions.

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Income Statement – Expense Disaggregation Disclosures

New guidance issued under ASU 2025-01 clarified that the amendments in ASU 2024-03 Expense Disaggregation Disclosures require the Company to provide enhanced disaggregation of operating expense categories within the financial statement footnotes for annual periods beginning after 15 December 2026 and interim reporting periods within annual reporting periods beginning after 15 December 2027. The amendments introduce a standardised set of natural expense categories, such as employee-related costs, depreciation and amortisation, and other operating expenses. The amendments do not change the recognition, measurement or presentation of expenses in the primary financial statements, but instead expand the disclosures provided in the notes. The Company intends to comply with the new requirements in the effective periods and expects them to result in additional disclosures.

Income Taxes Disclosures

In December 2023, the FASB issued ASU 2023-09, which enhances disclosure requirements for income taxes by requiring greater disaggregation of the effective tax rate reconciliation and income taxes paid. The standard does not change the underlying recognition or measurement of income tax balances. It is effective for public business entities for annual periods beginning on or after 15 December 2024. The Company has adopted the requirements and reflected in disclosures for the year ending 31 December 2025.

Note 3. Revenue from Contracts with Customers

The Company's primary activity is the provision of global workspace solutions. Please reference Note 2, *Description of the Business and Summary of Significant Accounting Policies*, for detailed discussion of the Company's revenue recognition policies and Note 4, *Segments*, for revenue disaggregated by product categories.

Receivables

A summary of the components of accounts receivable, net is as follows:

\$m	FY2025	FY2024
Receivables related to contracts with customers ¹	434	665
Allowance for current expected credit losses	(15)	(14)
Total accounts receivable, net	419	651

The following table presents the change in balance for expected credit losses:

\$m	FY2025	FY2024
Beginning balance	14	8
Additional provision	18	13
Write-offs	(17)	(7)
Ending balance	15	14

Contract Liabilities

The Company's contract liabilities, which are included in Deferred revenue on the Consolidated Balance Sheets, were \$334 million and \$539 million as of 31 December 2025 and 2024, respectively and are based on the Company's billing cycle which changed during 2025. Contract liabilities are classified as current due to the nature of the Company's invoicing arrangements. All contract liabilities as of 31 December 2024 were recognised as revenue during the year ending 31 December 2025.

The Company elected the practical expedient as per ASC 606-10-50-14 and does not disclose information related to remaining performance obligations due to their original expected terms being one year or less. The Company also elected the practical expedient as per ASC 340-40-25-4 and expenses costs of obtaining contracts, which would otherwise have an amortisation period of one year or less, as incurred.

¹ Includes \$51 million and \$48 million, respectively of related party receivables as of 31 December 2025 and 2024. See Note 23, *Related Party Transactions*, for further information.

International Workplace Group PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 4. Segments

As at 31 December 2025, the Company is organised into three operating segments. These operating segments reflect the service lines with the business, which is how management monitors performance and makes decisions. The segment composition, as further described below, reflects the Reorganisation described in Note 2, *Description of the Business and Summary of Significant Accounting Policies* which did not result in a change in the identification of reportable business segments:

- Company-owned: Locations the Company operates directly and recognises full revenue and costs of the centre.
- Managed & Franchised: Locations the Company receives a franchise or management fee for providing services to centres. Managed centres are operated by the Company; franchise locations are operated by the franchise holder. The Company only recognises the fee income as revenue. The Company is not responsible for capital expenditures in the centres and does not recognise the related centre operating costs.
- Digital & Professional Services: Services and technology provided to customers and landlords.

Company-owned and Managed & Franchised are aggregated into the Networks reportable business segment. Digital and Professional Services meets the criteria for separate disclosure as a reportable business segment at 31 December 2025. The Company has determined its Chief Executive Officer (“CEO”) is its Chief Operating Decision Maker (“CODM”). The CEO reviews the Company’s financial performance based on these segments, specifically using Gross profit to assess performance and make resource allocation decisions. Adjusted gross profit is also used by the CODM in assessing segmental performance and determining how to allocate resources because landlord contributions on leased properties are evaluated in totality in commercial negotiations, rather than being dependent upon whether they are accounted for as lease incentives. Adjusted gross profit (including landlord contributions on leases) has been presented for the first time in 2025. The following table reflects results of operations of the Company’s reportable segments:

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\$m	Company- Owned	Managed & Franchised	Digital and Professional Services	FY2025
Total revenue	3,212	126	424	3,762
<i>Workstation revenue</i>	2,368	-	-	2,368
<i>Fee income</i>	-	126	-	126
<i>Services and other income</i>	844	-	424	1,268
Cost of sales	2,502	-	229	2,731
Gross profit	710	126	195	1,031
Selling, general and administrative expenses				546
Allowance for credit losses				18
Impairment of long-lived assets and goodwill				29
Loss on disposal of long-lived assets and other closure related credits				2
Depreciation and amortisation before landlord contributions on leased properties				357
Depreciation of landlord contributions (cost reimbursements) on leased properties				(64)
Operating income				143
Interest expense				(87)
Foreign currency gain				7
Gain on extinguishment of debt				1
Other finance costs				(21)
Income before income taxes and share of (loss) income from equity method investments				43
Gross profit	710	126	195	1,031
Landlord contributions on leased properties included in depreciation and amortisation	41	-	23	64
Adjusted gross profit (non-GAAP measure)	751	126	218	1,095

\$m	Company- Owned	Managed & Franchised	Digital and Professional Services	FY2024
Total revenue	3,222	79	455	3,756
<i>Workstation revenue</i>	2,398	-	-	2,398
<i>Fee income</i>	-	79	-	79
<i>Services and other income</i>	824	-	455	1,279
Cost of sales	2,575	-	233	2,808
Gross profit	647	79	222	948
Selling, general and administrative expenses				514
Allowance for credit losses				13
Impairment of long-lived assets and goodwill				83
Gain on disposal of long-lived assets and other closure related credits				(57)
Depreciation and amortisation before landlord contributions on leased properties				333
Depreciation of landlord contributions (cost reimbursements) on leased properties				(80)
Operating income				142
Interest expense				(64)
Foreign currency loss				(17)
Gain on extinguishment of debt				16
Other finance costs				(19)
Income before income taxes and share of (loss) income from equity method investments				58
Gross profit	647	79	222	948
Landlord contributions on leased properties included in depreciation and amortisation	80	-	-	80
Adjusted gross profit (non-GAAP measure)	727	79	222	1,028

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

\$m	Company- Owned	Managed & Franchised	Digital and Professional Services	FY2023
Total revenue	3,230	61	473	3,764
<i>Workstation revenue</i>	2,364	-	-	2,364
<i>Fee income</i>	-	61	-	61
<i>Services and other income</i>	866	-	473	1,339
Cost of sales	2,634	-	245	2,879
Gross profit	596	61	228	885
Selling, general and administrative expenses				496
Allowance for credit losses				19
Impairment of long-lived assets and goodwill				143
Loss on disposal of long-lived assets and other closure related costs				32
Depreciation and amortisation before landlord contributions on leased properties				386
Depreciation of landlord contributions (cost reimbursements) on leased properties				(93)
Operating loss				(98)
Interest expense				(54)
Foreign currency gain				6
Other finance costs				(19)
Loss before income taxes and share of (loss) income from equity method investments				(165)
Gross profit	596	61	228	885
Landlord contributions on leased properties included in depreciation and amortisation	93	-	-	93
Adjusted gross profit (non-GAAP measure)	689	61	228	978

Asset information

Total assets by Segment as of 31 December 2025 and 2024 were:

\$m	FY2025	FY2024
Company-owned	8,517	8,386
Managed & Franchised	36	-
Digital and Professional Services	763	726
Total	9,316	9,112

Following the Reorganisation, assets and liabilities (including goodwill) were reassigned between reportable segments resulting in total assets being presented as part of the Managed & Franchised reportable segment.

Total capital expenditures by Segment for the years ended 31 December 2025 and 2024 were:

\$m	FY2025	FY2024
Company-owned	158	155
Managed & Franchised	-	-
Digital and Professional Services	65	13
Total capital expenditures	223	168

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Geographic information

The table below disaggregates revenue by geographic region, determined by the location of the entity providing the related services

\$m	FY2025	FY2024	FY2023
Americas	1,486	1,455	1,468
EMEA	1,923	1,920	1,931
Asia Pacific	353	381	365
Total Revenue	3,762	3,756	3,764

The table below disaggregates long-lived assets by geographic region:

\$m	FY2025	FY2024
Americas	2,567	2,633
EMEA	3,016	3,046
Asia Pacific	488	266
Total long-lived assets	6,071	5,945

The Company has a diversified customer base and no single customer accounts for more than 5% of the Company's revenue for any of the periods presented. All amounts relating to investments in equity method investees are part of the Managed and Franchised segment.

Note 5. Staff Costs

The aggregate payroll costs were as follows:

\$m	FY2025	FY2024	FY2023
Wages and salaries	490	465	456
Social security	62	68	72
Pension costs	10	9	8
Share-based payments	6	2	8
Total payroll costs	568	544	544

The average number of persons employed by the Group (including Executive Directors), analysed by category, was as follows:

	FY2025	FY2024	FY2023
Centre staff	6,069	6,329	6,536
Sales and marketing staff	738	615	572
Finance and shared service centre staff	837	750	709
Other staff	1,581	1,313	1,238
Total	9,225	9,007	9,055

Details of the Directors' emoluments and interests are given in the Directors' Remuneration report.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 6. Income Taxes

The components of Income (loss) before income taxes and share of income (loss) from equity method investments are as follows:

\$m	FY2025	FY2024	FY2023
Switzerland	105	99	89
Other	(62)	(41)	(254)
Total	43	58	(165)

The income tax (expense) on income (loss) from continuing operations is comprised of:

\$m	FY2025	FY2024	FY2023
Current:			
Switzerland – federal	(8)	(11)	(11)
Switzerland – local	(2)	(3)	-
Foreign	(31)	(33)	(20)
Total current (expense)	(41)	(47)	(31)
Deferred:			
Switzerland – federal	(8)	(10)	(2)
Switzerland – local	(3)	(4)	-
Foreign – local	20	21	(10)
Total deferred benefit (expense)	9	7	(12)
Income tax (expense)	(32)	(40)	(43)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Company is domiciled in the canton of Zug in Switzerland. The difference between the Swiss statutory rate of (8.5%) and the effective tax rate is as follows, presented pursuant to the new disclosure requirements of ASU 2023-09:

	FY2025		FY2024	
	\$m	%	\$m	%
Profit before tax at the statutory rate (8.5%)	(4)	8.5%	(5)	8.5%
<u>Domestic tax effects</u>				
Non-Taxable or non-deductible items	(7)	15%	(31)	53%
Effect of cross-border tax laws	(3)	6%	(7)	11%
Changes in unrecognised tax benefits	(2)	4%	4	(7%)
Changes in valuation allowances	(11)	25%	57	(99%)
State and local taxes	(2)	4%	(2)	4%
Prior year adjustment	5	(12%)	-	-
Other	10	(22%)	(19)	33%
<u>Foreign tax effects</u>				
Luxembourg				
Statutory tax rate difference	(3)	6%	32	(57%)
Changes in valuation allowance	(4)	8%	(51)	87%
Other	1	(3%)	1	1%
United Kingdom				
Changes in valuation allowance	(32)	72%	22	(38%)
Non-deductible interest	-	-	(5)	9%
Other	2	(4%)	-	-
United States				
Statutory tax rate difference	(1)	3%	3	(5%)
Changes in valuation allowance	47	(106%)	(3)	6%
Non-deductible fees	(8)	18%	(11)	19%
Other	-	1%	3	(5%)
Germany				
Changes in valuation allowance	3	(8%)	(8)	15%
Prior year adjustment	5	(10%)	(2)	3%
Other	(6)	13%	(2)	3%
France				
Statutory tax rate difference	6	(14%)	3	(5%)
Changes in valuation allowance	(10)	22%	(4)	8%
Other	-	-	(1)	2%
Other foreign jurisdictions				
Changes in valuation allowances	1	(1%)	(22)	36%
Other	(19)	48%	8	(14%)
Income tax expense	(32)	73%	(40)	68%

The below comparison table is a rate reconciliation of the Swiss statutory rate (8.5% federal and 3.35% cantonal) to the effective tax rate for the year ended 31 December 2023.

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	FY2023 \$m
Loss from continuing operations, before income taxes	165
Income tax benefit at the Swiss statutory rate	20
Foreign rate differential	23
Non-deductible expenses	(33)
Income not taxable	2
Gain/loss on disposal	(10)
Valuation allowance	(51)
Prior year adjustment	10
Withholding and other taxes	(5)
Uncertain tax positions	(1)
Other	4
Local taxes	(2)
Income tax (expense)	(43)

The components of income taxes paid are as follows:

\$m	FY2025	FY2024
Switzerland – national	8	9
Switzerland – local	2	1
Foreign	24	25
Total	34	35

The deferred tax assets and liabilities included in the Consolidated Balance Sheets consist of the following:

\$m	FY2025	FY2024
Deferred tax assets:		
Property and equipment	223	218
Intangible assets	514	542
Leases	1,590	1,624
Tax losses	3,465	2,859
Prepaid expenses	24	20
Provisions	3	7
Allowance for credit losses	81	63
Interest	22	20
Other temporary differences	61	53
<i>Less: Valuation allowance</i>	<i>(4,188)</i>	<i>(3,692)</i>
Total deferred tax assets	1,795	1,714
Deferred tax liabilities:		
Property and equipment	(70)	(55)
Intangible assets	(75)	(78)
Leases	(1,253)	(1,203)
Other temporary differences	(35)	(21)
Total deferred tax liabilities	(1,433)	(1,357)
Net deferred tax asset	362	357

Additional tax losses have been recorded since 31 December 2024, primarily resulting from the impairment of investments held by holding entities in Luxembourg. These losses are subject to recapture under certain conditions and are included in the table above as part of the valuation allowance.

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As of 31 December 2025, the Company has gross net operating loss carry forwards of \$1,952 million that can be carried forward indefinitely and \$12,551 million of gross net operating losses that will expire between 2026 and 2045. At 31 December 2024, the Company had gross net operating loss carry forwards of \$1,881 million that can be carried forward indefinitely and \$10,142 million of gross net operating losses that will expire between 2025 and 2044.

A valuation allowance has been provided where it is more likely than not that the deferred tax assets related to those operating loss carry forwards and other temporary differences will not be realised. The valuation allowance increased by \$496 million and \$1,860 million in 2025 and 2024, respectively.

The Company is asserting indefinite reinvestment on foreign earnings. As of 31 December 2025 and 2024, the temporary difference arising from unremitted earnings of overseas subsidiaries were \$17 million and \$15 million, respectively. The only tax that would arise on these reserves if they were remitted would be non-creditable withholding tax.

The Company conducts operations globally, and, as part of their global business, files numerous tax returns. The Company is routinely examined by various taxing authorities. The Company's global tax positions are reviewed by management on a quarterly basis. Based on these reviews, the results of discussions and resolutions of matters with certain tax authorities, tax rulings and court decisions and the expiration of statute of limitations, unrecognised tax benefits are adjusted as necessary.

The following table summarises tax years that remain subject to examination by tax authorities as of 31 December 2025:

Jurisdiction	Open Tax Years Based on Originally Filed Returns
Germany	2018–2025
Luxembourg	2021–2025
Switzerland	2020–2025
United States	2022–2025
United Kingdom	2022–2025

The Company recognises benefits from tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the positions. The tax benefits recognised in the consolidated financial statements from such positions are measured as the largest amount of tax benefit that is greater than 50 percent likely of being realised upon settlement.

The following table provides a reconciliation of the total amounts of unrecognised tax benefits:

\$m	FY2025	FY2024	FY2023
Balance at beginning of year	25	28	26
Gross increases related to tax positions in a prior period	2	1	4
Gross decreases related to tax positions in a prior period	(6)	(3)	(4)
Gross increases related to tax positions in the current period	2	4	1
Gross decreases related to expiration of statute of limitations	-	(3)	-
Settlements with taxing authorities	-	(2)	-
Foreign exchange and others	-	-	1
Balance at end of year	23	25	28

At 31 December 2025 and 2024, \$23 million and \$25 million, respectively, of unrecognised tax benefits would favourably impact the effective tax rate if recognised.

The Company recognises interest and penalties in income tax expense in the Consolidated Statements of Operations. At 31 December 2025 and 31 December 2024, the Company had accrued interest and penalties of \$1 million and \$2 million, respectively. For the years ended 31 December 2025 and 2024, the amount reported in income tax expense related to interest and penalties was \$(1) million and \$(2) million, respectively.

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Note 7. Earnings Per Share

The table below illustrates the calculation of basic and diluted earnings per share:

\$m	FY2025	FY2024	FY2023
Income (loss) attributable to ordinary shareholders – basic and diluted			
Net income (loss)	18	18	(207)
Weighted average shares outstanding used in computing earnings per share – basic and diluted			
Weighted average shares – basic	1,007,813,563	1,009,815,216	1,006,685,491
Weighted average shares – diluted	1,022,506,926	1,019,135,504	1,012,972,933
Basic income (loss) per common share (¢)	1.8	1.8	(20.6)
Diluted income (loss) per common share (¢)	1.8	1.8	(20.6)
Antidilutive securities			
Weighted average number of share options	56,002,688	32,708,366	17,380,163
Weighted average number of share awards under the CIP, PSP, DSBP and One-off Award	3,268,467	2,824,696	2,210,401
Weighted average number of shares that would have been issued at average market price	(44,577,793)	(26,212,684)	(13,303,122)
Potentially issuable shares on convertible bonds at 31 December	950,675	34,786,815	76,408,203

Options are considered dilutive when they would result in the issue of ordinary shares for less than the market price of ordinary shares in the period. The amount of the dilution is taken to be the average market price of shares during the period minus the exercise price. During the years ended 31 December 2025 and 2024, share awards of 14,693,363 and 9,320,378, respectively, had a dilutive effect with a negligible impact on the basic earnings per share (2023: all awards were considered anti-dilutive).

Note 8. Other Current Assets

Other current assets consist of the following:

\$m	FY2025	FY2024
VAT receivable	155	206
Corporate tax receivable	30	34
Landlord contributions receivable	23	35
Contract assets	36	10
Receivable from payment processors	29	15
Security deposits	8	8
Other current assets	109	83
Total other current assets	390	391

Other current assets primarily include amounts due from managed centre partners and our businesses that are accounted for using the equity method. Contract Assets reflect amounts for services provided to customers in the current period that are expected to be invoiced to customers within twelve months. All contract assets at 31 December 2024 were invoiced in the year ending 31 December 2025.

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Note 9. Prepaid Expenses

Prepaid expenses consist of the following:

\$m	FY2025	FY2024
Other prepayments	80	57
Property Fees	49	71
Agents commission prepayment	21	18
Insurance and marketing prepayment	6	2
Legal and other professional fees	9	4
Total prepaid expenses	165	152

Other prepayments relate to the following types of expenses: centre operating, credit cards, information technology, property & equipment, and utilities, among others.

Note 10. Accounts Payable

Accounts payable consist of the following:

\$m	FY2025	FY2024
Trade payables	240	232
Obligations under PSA	57	-
Total accounts payable	297	232

In November 2025, the Company entered into a Payment Service Agreement Contract ("PSA"). Under this PSA, a third party settles some trade creditor invoices of IWG directly with their suppliers upon the contractual maturity of the supplier invoices in exchange for a fixed payment fee. The Company repays amounts due under the PSA monthly.

During the year ended 31 December 2025, obligations amounting to \$57 million were added to the programme and obligations amounting to \$0 million were settled. These obligations were settled in January 2026.

Note 11. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

\$m	FY2025	FY2024
Corporation tax liabilities	68	40
Other accruals	334	405
Other current liabilities	33	37
Other payables	258	228
Other tax and social security	31	34
VAT payable	51	143
Total Accrued expenses and other current liabilities	775	887

Other accruals relate to the following types of accrued expenses: utilities, information technology, and insurance, among others. Other payables primarily include amounts due to managed centre partners and our businesses that are accounted for using the equity method.

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Note 12. Other Non-Current Liabilities

Other non-current liabilities consist of the following:

\$m	FY2025	FY2024
Long-term provisions	86	77
Long-term customer deposits	87	-
Other long-term payables	12	14
Total Other non-current liabilities	185	91

As of 31 December 2025, the Company presented long-term customer deposits of \$87 million. As of 31 December 2024 all customer deposits were presented as current liabilities.

Note 13. Acquisitions

2025 acquisitions

On 30 April 2025, the Company completed the acquisition of the remaining noncontrolling interests in the Digital and Professional Services reportable segment in exchange for 23,095,239 common shares of International Workplace Group plc. From May 2025 onward, the Company no longer has material non-controlling interests.

2024 acquisitions

During the year ended 31 December 2024, the Company made various individually immaterial acquisitions for a total consideration of \$16 million, of which \$14 million related to the acquisition of the noncontrolling interest in the Digital and Professional Services reportable segment and was satisfied primarily through the utilisation of treasury shares and \$2 million related to other acquisitions.

2023 acquisitions

During the year ended 31 December 2023, the Company made various individually immaterial acquisitions for a total consideration of \$21 million.

Note 14. Goodwill and Intangible Assets

Goodwill, net

The following tables show the Company's goodwill balances as of 31 December 2025 and 2024:

\$m	Gross Carrying Amount	FY2025 Accumulated Impairment Losses	Net Carrying Amount
Company-owned	959	(16)	943
Managed & Franchised	28	-	28
Digital and Professional Services	274	-	274
Total goodwill	1,261	(16)	1,245

\$m	Gross Carrying Amount	FY2024 Accumulated Impairment Losses	Net Carrying Amount
Company-owned	882	(16)	866
Managed & Franchised	-	-	-
Digital and Professional Services	307	-	307
Total goodwill	1,189	(16)	1,173

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The following table shows changes in goodwill:

\$m	Company- Owned	Managed & Franchised	Digital and Professional Services	Total
1 January 2024	885	–	312	1,197
Goodwill acquired	2	–	–	2
Currency translation adjustment	(21)	–	(5)	(26)
31 December 2024	866	–	307	1,173
Currency translation adjustment	36	–	19	55
30 April 2025 (pre-reallocation)	902	–	326	1,228
30 April 2025 reallocation	26	26	(52)	–
30 April 2025 (post-reallocation)	928	26	274	1,228
Currency translation adjustment	15	2	–	17
31 December 2025	943	28	274	1,245

The 30 April 2025 reallocation was a result of the Reorganisation. There was no goodwill impairment recorded during the years ended 31 December 2025, 2024 and 2023. In assessing whether goodwill is subject to impairment, judgements are made relating to the identification of reporting units, pre-tax discount rates based on the underlying weighted average cost of capital (WACC) for the Group adjusted for country specific market risk, assumptions relating to future cash flows such as customer pricing, centre occupancy and maintenance capital expenditure, methodology for the allocation of overhead costs between reporting units and terminal value growth rate assumptions.

Intangible Assets

The carrying amount and accumulated amortisation of intangible assets consist of the following:

\$m	FY2025	FY2024
Gross finite-lived intangible assets		
Tradenames	111	102
Customer relationships	146	138
Capitalised software	270	232
Total gross finite-lived intangible assets	527	472
Accumulated amortisation		
Tradenames	62	62
Customer relationships	146	118
Capitalised software	178	130
Total accumulated amortisation	386	310
Total finite-lived intangible assets, net	141	162
Indefinite-lived intangible assets		
Tradenames - Regus brand	15	14
Total indefinite-lived intangible assets	15	14
Total intangible assets, net	156	176

Intangible asset amortisation expense was \$55 million, \$54 million and \$61 million in the years ended 31 December 2025, 2024 and 2023, respectively.

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The estimated future annual amortisation expense for the Company's intangible assets at 31 December 2025 is as follows:

\$m	Total
For the years ending	
2026	43
2027	29
2028	21
2029	16
2030	10
Thereafter	22
Total future amortisation expense	141

Note 15. Leases

The Company has operating leases for the rental of commercial office real estate premises globally. The following table details the components of lease cost recognised within the Consolidated Statements of Operations:

\$m	FY2025	FY2024	FY2023
Operating lease cost ¹	1,419	1,394	1,444
Short-term lease cost	-	-	1
Variable lease cost	129	162	107
Sub-lease income	(66)	(66)	(75)
Total lease cost	1,482	1,490	1,477

The Company's weighted average remaining lease term and discount rate for operating leases are as follows:

\$m	FY2025	FY2024
Weighted average remaining lease term (in years):	6.4	6.7
Weighted average discount rates:	6.0%	5.5%

Maturity of the Company's operating lease liabilities as of 31 December 2025 are as follows:

\$m	Operating lease payments
2026	1,475
2027	1,291
2028	1,121
2029	959
2030	772
Thereafter	1,826
Total minimum undiscounted lease payments	7,444
Less: imputed interest	1,122
Total lease liabilities	6,322

As of 31 December 2025, the Company had no significant rights and obligations from lease agreements that have not yet commenced.

Impairment of right-of-use assets was \$21 million, \$54 million, and \$100 million for the years ended 31 December 2025, 2024, and 2023, respectively. The recorded impairment related to the Company-owned segment and was due to underperforming business centres.

¹ During the years ended 31 December 2025, 2024, and 2023, the total operating lease cost was offset by the wind-down of previously capitalised lease incentives of \$66 million, \$37 million, and \$34 million, respectively.

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Of the impairment recorded during the year ended 31 December 2025, \$0 million related to the 31 March assessment, \$11 million related to the 30 June assessment, \$1 million related to the 30 September assessment and \$9 million to the 31 December assessment. Of the impairment recorded during the year ended 31 December 2024, \$11 million related to the 31 March assessment, \$9 million related to the 30 June assessment, \$12 million related to the 30 September assessment and \$22 million to the 31 December assessment. Please reference Note 18, Fair Value Measurements, for more information regarding the underlying impairment assessments.

Note 16. Property and Equipment, net

Property and equipment, net consisted of the following:

\$m	FY2025	FY2024
Land and buildings	214	202
Leasehold improvements	2,082	1,889
Furniture and equipment	1,050	973
Computer hardware	165	155
Total property and equipment, gross	3,511	3,219
Less: accumulated depreciation	(2,733)	(2,435)
Total property and equipment, net	778	784

Depreciation expense was \$238 million, \$199 million, and \$232 million for the years ended 31 December 2025, 2024, and 2023, respectively. These expenses include the offset by the wind-down of previous landlord contributions on leased properties recognised as reimbursements for costs of \$64 million, \$80 million, and \$93 million, respectively.

Impairment of property and equipment was \$8 million, \$29 million, and \$43 million for the years ended 31 December 2025, 2024, and 2023, respectively. The recorded impairment related to Company-owned segment and was due to underperforming business centres.

Of the impairment recorded during the year ended 31 December 2025, \$0 million related to the 31 March assessment, \$3 million related to the 30 June assessment, \$1 million related to the 30 September assessment and \$4 million to the 31 December assessment. Of the impairment recorded during the year ended 31 December 2024, \$9 million related to the 31 March assessment, \$5 million related to the 30 June assessment, \$9 million related to the 30 September assessment and \$6 million to the 31 December assessment. Please reference Note 18, *Fair Value Measurements*, for more information regarding the underlying impairment assessments.

For the years ended 31 December 2025, 2024 and 2023, the Company recognised losses of \$2 million, \$14 million and \$58 million, respectively, on the sale of property and equipment related to network rationalisations that occurred, including the write-off of the book value of assets and direct closure costs related to these centres. The losses are recorded in Loss (gain) on disposal of long-lived assets and other closure related (credits) costs in the Consolidated Statements of Operations.

Asset Retirement Obligations

The following table presents the change in balance for asset retirement obligations:

\$m	FY2025	FY2024
Beginning balance	27	26
Liabilities settled in the current period	(1)	(1)
Liabilities incurred in the current period	1	-
Accretion of liability	2	3
Revisions in estimated cash flows	1	(1)
Ending balance	30	27

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Note 17. Debt

The carrying value of debt as of 31 December 2025 and 2024, is as follows:

\$m	FY2025	FY2024
Short-term debt:		
Bank overdrafts	17	15
Convertible bonds	-	197
Total short-term debt	17	212

As of 31 December 2025, the future maturities of long-term debt, excluding debt issuance costs of \$20 million consisted of the following:

	\$m
2026	3
2027	6
2028	-
2029	-
2030	731
Thereafter	350
Total long-term debt	1,090

Euro bonds

The Company issued a €575 million corporate bond on 28 June 2024 at a fixed coupon rate of 6.5% and a bullet maturity of June 2030. An additional €50 million was issued on 10 September 2024. On 14 May 2025, the Company issued €300 million Euro bonds at an issuance price of 99.369%, a fixed coupon rate of 5.125% and a bullet maturity of 14 May 2032. These issuances on 28 June 2024, 10 September 2024 and 14 May 2025 resulted in the Company receiving cash proceeds of \$613 million, \$56 million and \$337 million respectively. The bonds are traded on the London Share Exchange's International Securities Market.

Convertible bonds

The Company issued £350 million of convertible bonds on 9 December 2020. The bondholders had the option to cash settle in December 2025 at par. As a result, in December 2024, the convertible bonds were reclassified to short-term debt.

During January 2024, the Company entered into a series of forward exchange rate contracts related to its convertible

During the year ended 31 December 2024, the Company repurchased £192 million (\$244 million) face value of the convertible bonds at a weighted average price of £0.926, including accrued interest, representing a consideration of £178 million (\$228 million). The Company also closed out £192 million of the forward exchange contracts relating to the repurchased convertible bonds. At 31 December 2024, amounts outstanding were presented as short-term debt because of the option the bondholders have to cash settle at par in December 2025.

During the year ended 31 December 2025, prior to the bondholders exercising their option to cash settle at par, the Company repurchased £18 million (\$23 million) face value of the convertible bonds at a weighted average price of £0.966, including accrued interest, representing a consideration of £17 million (\$22 million). The Company also closed out £18 million of the forward exchange contracts relating to the repurchased convertible bonds.

On 9 December 2025, bondholders exercised the option to cash settle at par and the Company repurchased £136 million (\$183 million) face value of the convertible bonds at a weighted average price of £1, including accrued interest, representing consideration of £136 million (\$183 million). Following expiration of this option, all amounts outstanding have been presented as long-term debt.

The Company also closed out all of the remaining £141 million of the forward exchange contracts entered into during January 2024. For the years ended 31 December 2025 and 2024, the repurchases of convertible bonds and settlement of the foreign exchange rate contracts result in a gain on extinguishment of debt of \$1 million and \$16 million, respectively.

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\$m	FY2025	FY2024	FY2023
Contractual interest expense	1	3	2
Amortisation of premium, discount and issuance costs	1	-	2
Total interest recognised during the period	2	3	4
Effective interest rate	3.8%	3.8%	3.8%

Revolving Credit Facility

The Company has a \$720 million multi-currency Revolving Credit Facility (“RCF”) through 17 June 2029. No cash amounts were drawn under the RCF at 31 December 2025 or 2024. The rate of interest on any cash amounts drawn under the RCF is variable and based upon the period selected when a utilisation request is made by the Company.

The amount available and undrawn on the RCF as of 31 December 2025 and 2024 was \$436 million and \$381 million, respectively because of ancillary facility commitments relating to guarantees of \$284 million and \$339 million respectively.

On 31 December 2025, the Group complied with all financial covenants related to the Revolving Credit Facility.

Note 18. Fair Value Measurements

Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Reference the Fair Value Measurement accounting policy included within Note 2, *Description of the Business and Summary of Significant Accounting Policies*, for the level of inputs outlined below to determine fair value. The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, accounts payable, and accrued liabilities approximate fair value because of the short maturity of these instruments.

Recurring fair value measurements

The following table presents the carrying amounts and estimated fair values of the Company’s financial instruments as of 31 December 2025 and 31 December 2024. Fair value is defined as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

\$m	Carrying amount	FY2025			Total
		Level 1	Level 2	Level 3	
Assets:					
Cross-currency swaps	87	-	87	-	87
Total assets	87	-	87	-	87
Liabilities:					
Contingent consideration	2	-	2	-	2
Euro bonds	1,061	-	1,156	-	1,156
Convertible bonds	6	-	5	-	5
Forward exchange contracts	-	-	-	-	-
Total liabilities	1,069	-	1,163	-	1,163

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\$m	Carrying amount	FY2024			Total
		Level 1	Level 2	Level 3	
Assets:					
Cross-currency swaps	6	-	-	6	6
Total assets	6	-	-	6	6
Liabilities:					
Contingent consideration	7	-	-	7	7
Euro bonds	629	-	694	-	694
Convertible bonds	197	-	187	-	187
Forward exchange contracts	3	-	-	3	3
Total liabilities	836	-	881	10	891

During the year ended 31 December 2025, the Company transferred the Cross-currency swaps from Level 3 to Level 2 of the fair value hierarchy. Following management's review of the valuation inputs, this was determined to be market observable data and was determined to be the primary basis for valuation. As such, the instruments no longer required significant unobservable inputs, which is more indicative of a Level 2 classification.

The valuation techniques used in measuring level 2 and 3 fair values consist of a combination of broker quotes, forward pricing and swap models with the significant inputs into the valuations relating to interest rates and foreign exchange rates.

Contingent consideration

The fair value of contingent consideration is based on contractually defined targets of financial performance in connection with earn outs and other considerations. The fair value of the convertible bonds is based on the published price on the open market. There were no transfers between levels for the years ending 31 December 2025 and 2024.

Forward exchange contracts

During January 2024, the Company entered into a series of forward exchange rate contracts related to its convertible debt, contracting to purchase £350 million for \$445 million in 2025. These contracts were designated as cash flow hedges. The fair value of the foreign exchange contracts were based on a combination of forward pricing and swap models. During 2025 and 2024, due to the partial repurchase of the convertible bonds, £154 million and £192 million respectively of the forward exchange rate contracts entered into were closed out.

As of 31 December 2025 and 2024, the fair value of the forward exchange contract was a \$0 million and \$3 million liability respectively.

Cross-currency swaps

Simultaneous to the closing of the Euro bonds (reference Note 17, *Debt*) during 2024, the Company entered into a hedging arrangement to swap €400 million of the issuance and the related interest into \$428 million, with a weighted average fixed coupon of 8.153%. On 12 September 2024, the Company entered into arrangements to swap an additional €50 million and the related interest into \$55 million, with a weighted average fixed coupon of 7.820%. On 29 October 2024, the Company entered into hedging arrangements to swap an additional €75 million Euro bonds notional plus interest into \$81 million, with a weighted average fixed coupon of 8.264%. At 31 December 2024, a total of €525 million of the issuance was hedged, with arrangements to swap into \$564 million with a weighted average fixed coupon of 8.137%.

As of 31 December 2024, the fair value of the swap contract was a \$6 million asset. The remaining of the €100 million issuance and the related interest at a fixed coupon of 6.50% was maintained in euros as these amounts were anticipated to be covered by a natural currency hedge due to the anticipated geographic diversity of operations of the Company and have been designated as net investment hedges.

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On 11 April 2025, the Company entered into hedging arrangements to swap the remaining €100 million of the Euro bonds notional plus interest into \$110 million, with a weighted average fixed coupon of 8.265%. As of 31 December 2025, a total of €625 million of the 2024 issuance was hedged, with arrangements to swap into \$674 million with a weighted average fixed coupon of 8.158%. The hedges are expected to remain in place for the life of the bonds and are designated as cash flow hedges. As of 31 December 2025, the fair value of the swap contract was an \$87 million asset.

As a result of this hedging arrangement, the Company discontinued its net investment hedge over the Company's European subsidiaries' operations. Prior to the discontinuation of the net investment hedge, its impact on other comprehensive income for both the years ended 31 December 2025 and 2024, was \$0 million and \$3 million, respectively.

Simultaneous to the closing of the Euro bonds issued during May 2025, the Company entered into hedging arrangements to swap €300 million of the issuance and the related interest into \$341 million, with a weighted average fixed coupon of 6.902%. The hedges will remain in place for the life of the bonds and have been designated as a cash flow hedge.

Fair Value of Derivative Instruments

Derivative instruments were recorded at fair value in the Consolidated Balance Sheets as follows:

\$m	FY2025 Other non-current assets
Cash flow hedges:	
Cross-currency interest rate swaps – Euro bond €625 million	78
Cross-currency interest rate swaps – Euro bond €300 million	9

As of 31 December 2025 and 31 December 2024 respectively, \$0 million derivative asset (2024: \$2 million derivative liability) relating to the forward exchange contract – Convertible bond liability and \$70 million derivative asset (2024: \$19 million derivative liability) relating to the cross-currency interest rate swap – Euro bond liability hedge the principal component of debt.

\$m	FY2024	
	Other non-current assets	Other non-current liabilities
Cash flow hedges:		
Forward exchange contracts – Convertible bonds £158 million	–	3
Cross-currency interest rate swaps – Euro bond €525 million	6	–
Net investment hedges:		
Euro bond €100 million	–	111

Derivative Volume

The gross notional values of our derivative instruments were:

\$m	FY2025
Cross-currency interest rate swaps – Euro bond €625 million	674
Cross-currency interest rate swaps – Euro bond €300 million	341

\$m	FY2024
Forward exchange contracts – Convertible bonds £158 million	201
Cross-currency interest rate swaps – Euro bond €525 million	564
Net investment hedge:	
Euro bond €100 million	104

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Cash Flow Hedges

Cash flow hedge activity, net of taxes, is recorded within accumulated other comprehensive income/(losses). Amounts are then reclassified into interest expense in the Consolidated Statements of Operations. Refer to Note 20, *Accumulated Other Comprehensive Income/(loss)*, for further information.

Financial Instruments Not Measured at Fair Value on a Recurring Basis

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments not measured at fair value on a recurring basis as of 31 December 2025 and 31 December 2024.

\$m	Carrying amount	FY2025			Total
		Level 1	Level 2	Level 3	
Assets:					
Cash	302	302	-	-	302
Account receivable, net	419	-	-	-	-
Total assets	721	302	-	-	302
Liabilities:					
Short-term borrowings (including overdraft)	17	17	-	-	17
Total liabilities	17	17	-	-	17

\$m	Carrying amount	FY2024			Total
		Level 1	Level 2	Level 3	
Assets:					
Cash	137	137	-	-	137
Account receivable, net	651	-	-	-	-
Total assets	788	137	-	-	137
Liabilities:					
Short-term borrowings (including overdraft)	15	15	-	-	15
Total liabilities	15	15	-	-	15

Non-recurring fair value measurements

During the years ended 31 December 2025 and 2024, the long-lived assets (which include property & equipment held in centres and right-of-use assets) warranted non-recurring fair value measurements due to the existence of qualitative and quantitative impairment indicators. For the affected centres, which are each considered an asset group for purposes of impairment testing, the non-recurring fair value measurements recorded in 2025 were \$0 million, \$27 million, \$27 million and \$86 million as of 31 March, 30 June, 30 September, and 31 December respectively. The corresponding non-recurring fair value measurements in 2024 were \$162 million, \$200 million, \$159 million and \$73 million as of 31 March, 30 June, 30 September, and 31 December respectively.

The categorisation of the framework used to value these long-lived assets is considered Level 3, due to the limited data and subjective nature of the unobservable inputs used to determine the fair value. Such judgements and estimates included within the cash flow forecasts include assessment of the extent to which historical cash flows are indicative of future cash flows, discount rate applied to the cash flows, location of the centre, the local economic situation, competition, local environmental factors, status of current discussions with the landlord and customers relating to matters such as potential future customer contract terms, lease amendments or centre closure, the management of the centre, and future changes in occupancy, customer pricing and costs of the centre. As a result of the non-recurring fair value measurements, the Company recognised property & equipment and right-of-use assets impairment. Please reference Note 15, *Leases*, and Note 16, *Property and Equipment, net*, for more detail.

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Note 19. Equity

Cash Dividends

On 30 May 2025, the Company approved and paid out a dividend of \$9 million (\$0.009 per ordinary share). On 17 October 2025, the Company approved and paid out a dividend of \$5 million (\$0.0045 per ordinary share). On 31 May 2024, the Company approved and paid out a dividend of \$13 million (£0.01 per ordinary share). On 4 October 2024, the Company approved and paid out a dividend of \$4 million (\$0.0043 per ordinary share). No other dividends were declared or paid during the other reporting periods presented in the consolidated financial statements. The consolidated shareholders' deficit does not impact the Company's ability to make dividend payments.

Treasury Shares

As at 3 March 2026, 14,591,563 treasury shares were held. The holders of ordinary shares in International Workplace Group plc are entitled to receive such dividends as are declared by the Company and are entitled to one vote per share. Treasury shares do not carry such rights until they are reissued.

	FY2025		FY2024		FY2023	
	Number of shares	\$m	Number of shares	\$m	Number of shares	\$m
1 January	45,241,020	182	50,558,201	194	50,564,853	194
Net treasury shares purchased/(utilised)	(29,933,370)	(115)	(5,317,181)	(12)	(6,652)	-
31 December	15,307,650	67	45,241,020	182	50,558,201	194

During the year, 23,095,239 treasury shares (2024: 5,283,597, 2023: zero) were utilised to increase the Group's equity voting rights in the non-controlling interest. In addition, out of the share awards exercised by employees during 2025, 6,838,131 (2024: 33,584, 2023: 6,652) treasury shares were used to satisfy the awards. Additionally, during the years 31 December 2025, 2024, and 2023 the Company purchased zero, 118,054 and 399,158 shares, respectively, of its common Share to support the exercise of share awards by employees in the open market for \$0 million, \$0 million and \$1 million, respectively.

Common Shares

On 4 March 2025, the Company announced a \$50 million share repurchase programme, then on 6 May 2025, the Company extended the share repurchase programme by an additional \$50 million to a total of \$100 million and further increased to \$130 million on 19 August 2025. Pursuant to the share repurchase programme, during the year ended 31 December 2025, the Company repurchased 48,512,425 of its common shares for \$130 million, all of which were subsequently cancelled.

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Note 20. Accumulated Other Comprehensive Income/(loss)

The changes in the components of accumulated other comprehensive income/(loss), net of taxes, were as follows:

\$m	Foreign Currency Translation Adjustment	Cash Flow Hedge Adjustment	Net Investment Hedges, Adjustment	Total Accumulated Other Comprehensive Income/(loss)
Balance as of 31 December 2022	(333)	-	-	(333)
Current-period other comprehensive income (loss)	(12)	-	-	(12)
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes	-	-	-	-
Balance as of 31 December 2023	(345)	-	-	(345)
Current-period other comprehensive income	6	44	3	53
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes	-	(21)	-	(21)
Balance as of 31 December 2024	(339)	23	3	(313)
Current-period other comprehensive income	44	61	-	105
Amounts reclassified from accumulated other comprehensive income (loss), net of taxes	-	(99)	(3)	(102)
Balance as of 31 December 2025	(295)	(15)	-	(310)

Note 21. Stock-based Compensation

The Company provides share-based compensation to certain of the Company's directors, officers and employees under four plans: the IWG Group Share Option Plan, the Performance Share Plan, Restricted Share Plan and the Deferred Bonus Share Plan.

The Company recognised share-based compensation expense of \$6 million, \$2 million, and \$8 million during the years ended 31 December 2025, 2024, and 2023, respectively, and the related tax benefit recognised was \$1 million, \$1 million and \$1 million for the years ended 31 December 2025, 2024, and 2023, respectively.

IWG Group Share Option Plan

The Company operates the IWG Group Share Option Plan that entitles eligible employees to purchase shares in the Company. In accordance with this programme, holders of vested options are entitled to purchase shares at the mid-market closing price of the shares at the day before the date of grant.

The IWG Group also operates the IWG Group Share Option Plan (France) which is included within the numbers for the IWG Share Option Plan (UK, Swiss, US and other) disclosed above. The terms of the IWG Share Option Plan (France) are materially the same as the IWG Group Share Option Plan with the exception that they are only exercisable from the fourth anniversary of the date of grant compare to the remainder of the plans are exercisable in part or in full between 3 and 10 years from the grant date, assuming the performance conditions have been met.

The IWG Group Share Option Plan grants share options to eligible employees and entitles the grantee to receive shares of the Company at the end of a performance period of three to seven years if the applicable performance goals are achieved and generally subject to continued service through the applicable performance period. These performance goals include profitability and KPI targets specific to the recipient of the award. Personal performance targets are subject to review, in line with changes to the Group's strategy, at the discretion of the Remuneration Committee.

The share options subject to TSR targets are vested based on the Group ranking at or above the median for TSR performance relative to a comparator group over a period of three years with a minimum performance threshold of achieving a ranking at the median TSR or above and the maximum award being given for exceeding the comparator group median TSR performance by 10% or more.

International Workplace Group PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The following table provides information about the IWG Group Share Option Plan grants:

	FY2025	FY2024	FY2023
Number of options granted (in thousands)	14,686	9,341	3,986
Weighted average grant date fair value per share	178p	157p	151p
Aggregate intrinsic value of options exercised (in millions)	£4.31	-	£0.04

The weighted average grant date fair value per share of the option grants for each year was determined using the Monte Carlo simulation or Black-Scholes option-pricing model with the following weighted average assumptions:

	FY2025	FY2024	FY2023
Expected volatility ¹	34.78% - 51.08%	38.28% - 51.43%	40.64% - 60.04%
Dividend yield ²	0.58%	0.32%	-
Risk-free rate ³	3.85% - 4.26%	3.7% - 4.47%	3.12% - 4.61%
Expected term (in years) ⁴	3 - 5	3 - 5	3 - 5

The following table summarises the activity for the IWG Group Share Option Plan during the year ended 31 December 2025:

	Number of Shares (in thousands)	Weighted-average Exercise Price
Balance as of 31 December 2024	54,141	165p
Granted	14,686	178p
Exercised	(6,671)	167p
Forfeited	(5,762)	198p
Balance as of 31 December 2025⁵	56,394	165p
Exercisable as of 31 December 2025 ⁶	16,286	186p

Performance Share Plan ("PSP")

The Remuneration Committee of the Board has authority to grant standalone awards, based on normal plan limits, up to a maximum of 250% of base salary. The number of awards that vest is dependent upon the Company's achievement of certain specified financial performance criteria over a three-year period. Awards entitle the grantee to receive shares of the Company, which vest over a five-year service period, subject to continued service over the performance period. The awards are exercisable in part or in full, between 5 and 10 years from the grant date.

¹ Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.

² Based on the expected annualised dividend payment at the date of grant.

³ The risk-free interest rate was estimated based on U.K. Treasury instruments with similar expected life.

⁴ Expected term in years was calculated using vesting periods and the contractual terms of the options as we do not have sufficient historical share option exercise data to estimate the term of our option grants.

⁵ The aggregate intrinsic value was \$37 million and the weighted average remaining contractual term was 7 years.

⁶ The aggregate intrinsic value was \$7 million and the weighted average remaining contractual term was 5 years.

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Performance conditions vest based on measures assessed over a three-year performance period. These include earnings per share (EPS) depending on the level of EPS improvement achieved, return on investment (ROI) based on ROI performance over the period and TSR similar to the Group Share Option Plan.

	FY2025	
	Grant 1	Grant 2
Number of shares granted (in thousands)	1,584	–
Weighted average grant date fair value per share	154.43p	–

	FY2024	
	Grant 1	Grant 2
Number of shares granted (in thousands)	1,826	91
Weighted average grant date fair value per share	159.01p	159.63
Aggregate intrinsic value of shares vested (in millions)	£0.09	

None of the shares vested during the year ended 31 December 2025, 2024, or 2023. The weighted average grant date fair value per share was determined using the Monte Carlo simulation or the Black-Scholes pricing model with the following weighted average assumptions:

	FY2025	FY2024	FY2023
Expected volatility ¹	41.10%	51.90%	52.70%
Dividend yield ²	0.54%	–	–
Risk-free rate ³	4.20%	3.97%	3.12%
Expected term (in years) ⁴	5	5	5

The following table summarises the activity for the Performance Share Plan during the year ended 31 December 2025:

	Number of Shares (in thousands)	Weighted-average Grant Date Fair Value per Share
Balance as of 31 December 2024	4,580	176p
Granted	1,584	154p
Vested	–	–
Forfeited	(859)	225p
Balance as of 31 December 2025⁵	5,305	165p
Exercisable as of 31 December 2025 ⁶	92	188p

¹ Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.

² The expected dividend yield assumption is based on the expected annualised dividend payment at the date of grant.

³ The risk-free interest rate was estimated based on U.K. Treasury instruments with similar expected life.

⁴ Expected term in years was calculated using the contractual terms of the awards.

⁵ The weighted average remaining contractual term was 8 years.

⁶ The weighted average remaining contractual term was 3 years

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Restricted Share Plan (“RSP”)

The Restricted Share Plan enables the Board to award restricted shares to selected employees on a discretionary basis that is subject to an underpin. In assessing the underpin, the Committee will consider the Group’s overall performance, including financial and non-financial performance over the course of the vesting period and any material factors identified. RSP awards, by design, offer a more certain level of reward and provide immediate alignment to shareholders. Share awards vest over a 5-year period and are subject to continued service by the grantee. The scheme was adopted in 2025.

The following table provides information about the Restricted Share Plan grants:

\$m	FY2025
Number of restricted shares granted (in thousands)	596
Weighted average grant date fair value per share	154p

The weighted average grant date fair value per share of the grants for each year was determined using the Black-Scholes pricing model with the following weighted average assumptions:

\$m	FY2025
Expected volatility ¹	41.10%
Dividend yield ²	0.54%
Risk-free rate ³	4.20%
Expected term (in years) ⁴	5

The following table summarises the activity for the Restricted Share Plan during the year ended 31 December 2025:

	Number of Shares	Weighted average Grant Date Fair Value per Share
Balance as of 31 December 2024	–	–
Granted	596	154p
Exercised	–	–
Forfeited	–	–
Expired	–	–
Balance as of 31 December 2025⁵	596	154p
Exercisable as of 31 December 2025	–	

Deferred Bonus Share Plan

The Deferred Bonus Share Plan enables the Board to award shares to selected employees on a discretionary basis equal in value to the amount of annual bonus deferred. There are no performance conditions linked to this plan. Share awards vest over a three-year period and are subject to continued service by the grantee.

The awards are exercisable in part or in full between 3 and 10 years from the grant date.

¹ Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.

² The expected dividend yield assumption is based on the expected annualised dividend payment at the date of grant.

³ The risk-free interest rate was estimated based on U.K. Treasury instruments with similar expected life.

⁴ Expected term in years was calculated using vesting periods and the contractual terms of the awards.

⁵ The weighted average remaining contractual term was 9 years.

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The following table provides information about the Deferred Bonus Share Plan grants:

	FY2025	FY2024	FY2023
Number of shares granted (in thousands)	516	471	181
Weighted average grant date fair value per share	174p	179p	191p
Aggregate intrinsic value of shares exercised (in millions)	£0.03	-	£0.07

The weighted average grant date fair value per share of the award grants for each year was determined using the Black-Scholes pricing model with the following weighted average assumptions:

	FY2025	FY2024	FY2023
Expected volatility ¹	39.10%	40.50%	60.00%
Dividend yield ²	0.54%	-	-
Risk-free rate ³	4.06%	4.08%	3.21%
Expected term (in years) ⁴	3	3	3

The following table summarises the activity for the Deferred Bonus Share Plan during the year ended 31 December 2025:

	Number of Shares (in thousands)	Weighted average Grant Date Fair Value per Share
Balance as of 31 December 2024	1,427	292p
Granted	516	174p
Exercised	(128)	254p
Forfeited	-	-
Expired	-	-
Balance as of 31 December 2025⁵	1,815	172p
Exercisable as of 31 December 2025 ⁶	92	

On 2 November 2022, the Chief Financial Officer received a conditional award over 511,571 ordinary shares in the Company. This was granted as a one-off award arrangement established under Listing Rule 9.4.2(2) in order to facilitate his recruitment. This award vests 5 years after the date of grant and has been included within the table above.

If all vesting and performance conditions are met, as of 31 December 2025 the total compensation costs related to all unvested awards shown above not yet recognised in the Statements of Operations is approximately \$33 million which is expected to be recognised over a weighted average period of 3 years.

¹ Expected volatility is based on the historic volatility, adjusted for any abnormal movement in share prices.

² The expected dividend yield assumption is based on the expected annualised dividend payment at the date of grant.

³ The risk-free interest rate was estimated based on U.K. Treasury instruments with similar expected life.

⁴ Expected term in years was calculated using vesting periods and the contractual terms of the awards.

⁵ The weighted average remaining contractual term was 9 years.

⁶ The weighted average remaining contractual term was 5 years.

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Note 22. Commitments and Contingencies

Contingencies

From time to time, the Company is party to litigation and other legal proceedings in the ordinary course of business. The Company accrues for loss contingencies when it is both probable that it will incur the loss and when the Company can reasonably estimate the amount of the loss or range of loss. If an unfavourable outcome was to occur, there exists the possibility of a material adverse impact on the results of operations in the period in which the outcome occurs or in future periods. The Company expenses legal costs relating to its lawsuits, claims and proceedings as incurred. Information about material reasonably possible loss contingencies is also disclosed in the financial statements.

Commitments

The Company has contractual obligations related to centre fit outs wherein the Company has to finish or improve the interior space of a leased property. Capital commitments in respect of centre fit-out obligations that are not offset by contractually committed landlord contributions are immaterial at 31 December 2025.

The Company has bank guarantees and letters of credit held with certain banks, predominantly in support of leasehold contracts with a variety of landlords. As of 31 December 2025 and 2024, the guarantees were \$344 million and \$332 million, respectively.

During 2025, the Company maintains a guarantees and indemnities facility (the "Sureties Facility"), that supports the issuance of guarantees related to rent lease obligations. The amount available under the Sureties Facility is \$120 million. \$49 million under the Sureties Facility was utilised on 31 December 2025.

Note 23. Related Party Transactions

During the years ended 31 December 2025, 2024 and 2023, the Company acquired goods and services from an entity indirectly controlled by a Director of the Company amounting to \$0.1 million, \$0.1 million, and \$0.1 million, respectively. As of both 31 December 2025 and 2024, the Company had no outstanding balance.

Equity Method Investments

As of 31 December 2025 and 2024, the Company had 87 and 78 equity method investments, respectively, all of which relate to various leasing and management operating centre.

The Company had the following related party balances on its Consolidated Balance Sheets as of 31 December 2025 and 2024:

\$m	FY2025	FY2024
Accounts receivable, net:	51	48
Accounts payable:	52	45

During the years ended 31 December 2025, 2024 and 2023, the Company recorded revenue transactions with related parties of:

\$m	FY2025	FY2024	FY2023
Revenue:	9	9	9

The Company had no expense transactions with equity method investees during the periods presented.

International Workplace Group PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 24. Principal Companies

As of 31 December 2025, the Company's principal subsidiary undertakings, their principal activities and countries of incorporation are set out below:

Name of undertaking	Country of incorporation	% of ordinary shares and votes held
Trading companies		
Regus Australia Management Pty Ltd	Australia	100
Regus Belgium SA	Belgium	100
Regus do Brasil Ltda	Brazil	100
Regus Business Service (Shenzen) Ltd	China	100
Regus Management ApS	Denmark	100
Regus Management (Finland) Oy	Finland	100
IWG France Management Sarl	France	100
Regus Deutschland GmbH	Germany	100
Regus Netherlands B.V	Netherlands	100
Regus CME Ireland Limited	Ireland	100
Regus Business Centres Limited	Israel	100
Regus Business Centres Italia S.r.l.	Italy	100
Regus Management Malaysia Sdn Bhd	Malaysia	100
Regus Management de Mexico, SA de CV	Mexico	100
IWG Management Services Morocco	Morocco	100
Regus New Zealand Management Ltd	New Zealand	100
Regus Business Centre Norge AS	Norway	100
IWG Management Sp z.o.o.	Poland	100
Regus Business Centre, Lda	Portugal	100
Regus Management Singapore Pte Ltd	Singapore	100
Regus Management España SL	Spain	100
IWG Management (Sweden) AB	Sweden	100
Avanta Managed Offices Ltd	United Kingdom	100
Basepoint Centres Limited	United Kingdom	100
Green (Topco) Limited	United Kingdom	100
HQ Global Workplaces LLC	United States	100
RGN National Business Centre LLC	United States	100
RB Centres LLC	United States	100
Regus Management Group LLC	United States	100
Management companies		
RGN Management Limited Partnership	Canada	100
Regus Service Centre Philippines B.V.	Philippines	100
Franchise International GmbH	Switzerland	100
Pathway IP II GmbH	Switzerland	100
Regus Global Management Centre SA	Switzerland	100
Regus Group Services Ltd	United Kingdom	100
IW Group Services (UK) Ltd	United Kingdom	100
Regus Management Group LLC	United States	100
Holding and finance companies		
IWG Enterprise Sarl	Luxembourg	100
IWG Group Holdings Sarl	Luxembourg	100
IWG International Holdings Sarl	Luxembourg	100
Ibiza Holdings Limited.	Jersey	100
Global Platform Services GmbH	Switzerland	100
Regus Group Limited	United Kingdom	100
Regus Corporation	United States	100
Ibiza Finance Limited.	Jersey	100
Genesis Finance GmbH	Switzerland	100
Pathway Finance GmbH	Switzerland	100
Pathway Finance EUR 2 GmbH	Switzerland	100
Pathway Finance USD 2 GmbH	Switzerland	100
IWG US Finance LLC	United States	100

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Note 25. Subsequent Events

Proposed dividend

On 3 March 2026, the Board of Directors has recommended a final dividend for 2025 of 0.93c giving a total dividend for 2025 of 1.38c. It is expected that the dividend will be paid on 29 May 2026 to shareholders on the register at the close of business on 1 May 2026.

Share buyback programme

The Company announced the first tranche of the 2026 share buyback on 31 December 2025, and announced an increase of another \$50 million to the buyback programme.

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Reconciliation for alternative performance measures

The Company reports certain alternative performance measures (APMs) that are not required under US GAAP which represents the generally accepted accounting principles (GAAP) under which the Company reports. The Company believes that the presentation of these APMs provides useful supplemental information, when viewed in conjunction with our US GAAP financial information as follows:

- To evaluate the historical and planned underlying results of our operations;
- To set Director and management remuneration; and
- To discuss and explain the Company's performance with the investment analyst community.

None of the APMs should be considered as an alternative to financial measures derived in accordance with GAAP. The APMs can have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our results as reported under GAAP. These performance measures may not be calculated uniformly by all companies and therefore may not be directly comparable with similarly titled measures and disclosures of other companies.

Adjusted EBITDA:

\$m	FY2025	FY2024	FY2023
Operating income (loss)	143	142	(98)
<i>Add back:</i>			
	357	333	386
Depreciation and amortisation before landlord contributions on leased properties	293	253	293
Depreciation of landlord contributions (cost reimbursements) on leased properties	64	80	93
<i>Adjusting items:</i>			
	31	26	175
Impairment of long-lived assets and goodwill	29	83	143
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	2	(57)	32
Adjusted EBITDA	531	501	463

Net Debt:

\$m	FY2025	FY2024
Cash and cash equivalents ¹	(302)	(137)
Short-term debt, net ¹	17	212
Long-term debt, net ¹	1,070	633
Cash flow hedges ²	(70)	21
Net Debt	715	729

¹ Consolidated Balance Sheets

² Note 18, Fair Value Measurements

International Workplace Group PLC
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Adjusted gross profit:

\$m	Company- Owned	Managed & Franchised	Digital and Professional Services	Total
31 December 2025				
Gross profit	710	126	194	1,031
Landlord contributions on leased properties included in depreciation and amortisation	41	-	23	64
Adjusted gross profit	751	126	217	1,095
31 December 2024				
Gross profit	647	79	222	948
Landlord contributions on leased properties included in depreciation and amortisation	80	-	-	80
Adjusted gross profit	727	79	222	1,028
31 December 2023				
Gross profit	596	61	228	885
Landlord contributions on leased properties included in depreciation and amortisation	93	-	-	93
Adjusted gross profit	689	61	228	978

Adjusted EPS:

\$m	FY2025	FY2024	FY2023
Net income (loss)	18	18	(207)
Impairment of long-lived assets	29	83	143
Loss (gain) on disposal of long-lived assets and other closure related (credits) costs	2	(57)	32
(Gain) on extinguishment of debt	(1)	(16)	-
Adjusted Net Income (Loss)	48	28	(32)

	FY2025	FY2024	FY2023
Net income (loss) per common share			
Basic (ç)	1.8	1.8	(20.6)
Diluted (ç)	1.8	1.8	(20.6)

	FY2025	FY2024	FY2023
Adjusted net income (loss) per common share			
Basic (ç)	4.8	2.8	(3.2)
Diluted (ç)	4.7	2.7	(3.2)

International Workplace Group PLC
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Capital Expenditure:

Year ended 31 December 2025

Analysed as:	Reference	FY2025		
		Net capital expenditure	Landlord contributions	Gross capital expenditure
Maintenance capital expenditure	CFO review	92	(8)	100
Growth capital expenditure	CFO review	82	(41)	123
Total		174	(49)	223

Year ended 31 December 2024

Analysed as:	Reference	FY2024		
		Net capital expenditure	Landlord contributions	Gross capital expenditure
Maintenance capital expenditure	CFO review	49	(12)	61
Growth capital expenditure	CFO review	63	(44)	107
Total		112	(56)	168

Segmental Reporting:

\$m	FY2025			FY2024		
	As reported	Reclass from DPS	Management Segmental	As reported	Reclass from DPS	Management Segmental
Company-owned	3,212	365	3,577	3,222	393	3,615
Managed & Franchised	817	59	876	620	62	682
Digital & Professional Services	424	(424)	-	455	(455)	-
System-wide revenue	4,453	-	4,453	4,297	-	4,297

\$m	FY2025			FY2024		
	As reported	Reclass from DPS	Management Segmental	As reported	Reclass from DPS	Management Segmental
Company-owned	3,212	365	3,577	3,222	393	3,615
Managed & Franchised	126	59	185	79	62	141
Digital & Professional Services	424	(424)	-	455	(455)	-
Group revenue	3,762	-	3,762	3,756	-	3,756

Adjusted Gross Profit (\$m)	FY2025			FY2024		
	As reported	Reclass from DPS	Management Segmental	As reported	Reclass from DPS	Management Segmental
Company-owned	751	194	945	727	193	920
Managed & Franchised	126	24	150	79	29	108
Digital & Professional Services	218	(218)	-	222	(222)	-
Adjusted gross profit	1,095	-	1,095	1,028	-	1,028
<i>Adjusted gross profit margin</i>	<i>29%</i>		<i>29%</i>	<i>27%</i>		<i>27%</i>

International Workplace Group PLC
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Four-year Summary

\$m except share and per share amounts	FY2025 unaudited	FY2024	FY2023	FY2022
Income statement (full year ended)				
Revenue	3,762	3,756	3,764	3,432
Cost of sales	2,731	2,808	2,879	2,804
Gross profit	1,031	948	885	628
Selling, general and administration expenses	546	514	496	489
Allowance for (recovery of) credit losses	18	13	19	(8)
Impairment of long-lived assets and goodwill	29	83	143	84
(Gain) loss on disposal of long-lived assets and other closure related (credits) costs	2	(57)	32	(33)
Depreciation and amortisation before landlord contributions on leased properties	357	333	386	369
Depreciation of landlord contributions (cost reimbursements) on leased properties	(64)	(80)	(93)	(104)
Operating profit/(loss)	143	142	(98)	(169)
Interest expense	(87)	(64)	(54)	(34)
Foreign currency gain (loss)	7	(17)	6	(6)
Gain on extinguishment of debt	1	16	-	-
Other finance costs	(21)	(19)	(19)	(21)
Income (loss) before income taxes and share of (loss) income from equity method investments	43	58	(165)	(230)
Income tax (expense) benefit	(32)	(40)	(43)	39
Share of income (loss) from equity method investments	4	-	(1)	(1)
Net income (loss)	15	18	(209)	(192)
Net (loss) attributable to noncontrolling interests	(3)	-	(2)	(4)
Net income (loss) attributable to the Company	18	18	(207)	(188)
Earnings / (loss) per ordinary share (EPS):				
Attributable to ordinary shareholders				
Basic (¢)	1.8	1.8	(20.6)	(18.7)
Diluted (¢)	1.8	1.8	(20.6)	(18.7)
Weighted average number of shares outstanding ('000s)	1,007,813	1,009,815	1,006,685	1,006,885
Balance sheet data (as at)				
Current assets	1,276	1,331	1,308	
Non-current assets	8,040	7,781	8,675	
Total assets	9,316	9,112	9,983	
Current liabilities	3,344	3,608	3,529	
Non-current liabilities	6,277	5,713	6,695	
Equity	(305)	(209)	(241)	
Total equity and liabilities	9,316	9,112	9,983	

International Workplace Group PLC
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Glossary:

Adjusted EPS

EPS excluding adjusting items.

Adjusted EBITDA

EBITDA excluding adjusting items and depreciation on landlord contributions on leased properties – cost re-imbursments.

Adjusted gross profit

Gross profit excluding adjusting items.

Adjusted Net Income

Net income excluding adjusting items.

Adjusting items

Adjusting items reflects the impact of adjustments, both incomes and costs not indicative of the underlying performance, which are considered to be significant in nature and/or size.

Ancillary services

Additional services provided alongside workspace solutions that include virtual office services, day offices, short-term meeting rooms and other on-demand support services.

Capital-light

Business centres operating under a variable lease, joint-venture, managed and franchised arrangements.

Company-owned (“CO”)

Locations the Company operates directly and recognises full revenue and costs of the centre.

Digital and Professional Services (“DPS”)

Services and technology provided to customers and landlords.

EBIT

Earnings before interest and tax.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

EPS

Earnings per share.

Expansions

A general term which includes new business centres established by IWG and acquired centres in the year.

Fee income

Total fee income relating to the Managed & Franchised business.

Franchise and JV Fees

Fees in connection with centres not operated by IWG.

International Workplace Group PLC
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Growth capital expenditure

Capital expenditure in respect of centres which opened during the current or prior financial period and technology spend supporting operational growth.

Growth-related landlord contributions (leased properties)

Landlord contributions received in respect of leased properties which opened during the current or prior financial period.

IWG Network

Company-owned and Managed & Franchised comprises the IWG Network.

Maintenance capital expenditure (leased properties)

Capital expenditure in respect of centres owned for a full 12-month period prior to the start of the financial year and operated throughout the current financial year, which therefore have a full-year comparative.

Maintenance-related landlord contributions (leased properties)

Landlord contributions received in respect of properties leased for a full 12-month period prior to the start of the financial year and operated throughout the current financial year, which therefore have a full year- comparative.

Managed & Franchised ("M&F")

Locations the Company receives a franchise or management fee for providing services to centres. Managed centres are operated by the Company; franchise locations are operated by the franchise holder. The Company only recognises the fee as revenue. The Company is not responsible for capital expenditures in the centres and does not recognise the related centre operating costs.

Net debt

Operations cash and cash equivalents, adjusted for both short and long-term debt, and the portion of derivatives that hedge the principal component of debt. Net debt excludes lease liabilities.

Occupancy

Occupied square metres divided by total inventory square metres expressed as a percentage where contracts are in place with a minimum term of one month.

Other fee income

Other fees received including those in connection with the set up and opening of centres

Rooms

The yearly average total business centre square metres divided by a standard room of seven square metres.

Recurring fee revenue

Ongoing monthly revenue earned from Managed & Franchised customers for the continued use of workspaces, centres and related services.

RevPAR

Monthly average IWG Network revenue, divided by the average available number of rooms, excluding rooms opened and closed in the period.

Share buyback programme

Refers to the programme that permits the Company to repurchase its own shares in the open market.

International Workplace Group PLC
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System-wide revenue

Refers to the total revenue generated across IWG network, including revenue from franchise, managed centre and joint-venture partners, but excluding related fee income.

Tenant Incentive ('TI') amortisation

The amortisation of tenant improvements (often called leasehold improvements allowances or landlord contributions) received from landlords on properties that the company leases.

TSR

Total shareholder return.

International Workplace Group PLC
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Corporate directory

Secretary and Registered Office

Tim Regan, Company Secretary
International Workplace Group plc

Registered Office:	Registered Head Office:
22 Grenville Street	Baarerstrasse 52
St Helier	CH-6300
JE4 8PX	Zug
Jersey	Switzerland

Registered number

Jersey
122154

Registrars

Link Market Services (Jersey) Limited
12 Castle Street
St Helier
Jersey JE2 3RT

Auditor

KPMG
1 Stokes Place
St. Stephen's Green
Dublin 2
DO2 DE03
Ireland

Legal advisors to the Company as to English law

Slaughter and May
One Bunhill Row
London EC1Y 8YY

Legal advisors to the Company as to Jersey law

Mourant Ozannes
22 Grenville Street
St Helier
Jersey JE4 8PX

Legal advisors to the Company as to Swiss law

Bär & Karrer Ltd
Brandschenkestrasse 90
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