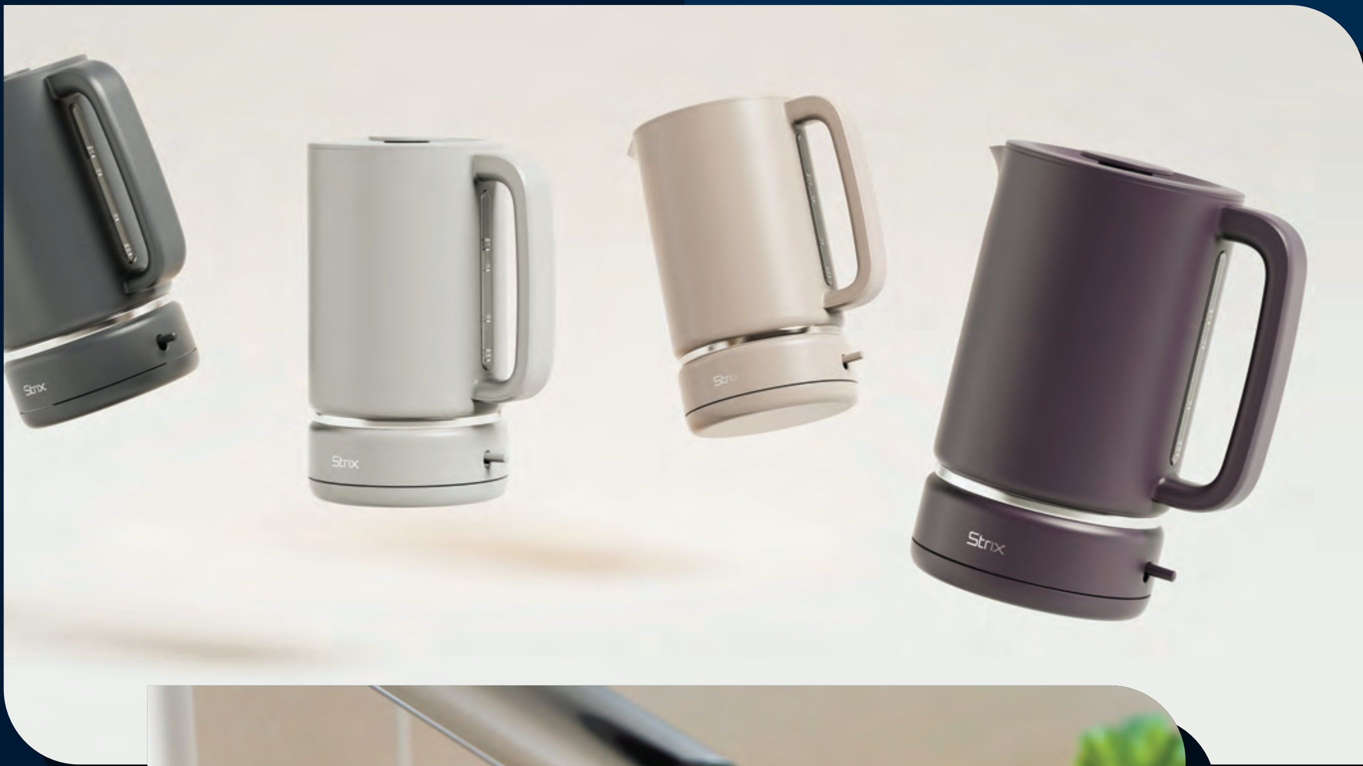
Strix
TECHNOLOGY

Innovative & Sustainable Technology

Annual Report and Accounts 2026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Company Overview

Strix is a unique global supplier of sustainable technologies, on a mission to give ready access to innovative water, beverage, and wellbeing technology everywhere people come together.

- Manufacturing expert with precision engineering capabilities and comprehensive know-how on complex designs and production applications.
- Adheres to stringent quality and safety standards.
- Experience in developing products that meet end users' needs.
- Competence in go-to-market routes through own brands and with key partners globally.
- Renowned for innovation, sustainability, quality manufacturing and service.

Our Vision:

To have Strix products and technology at the heart of every home and workplace across the world.

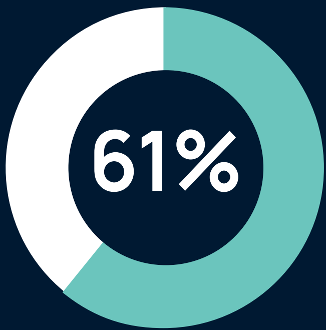
Our Mission:

To give ready access to innovative water, beverage, and wellbeing technology everywhere people come together.

Controls

Core product line of safety controls for kettles and small domestic appliances ("SDA") with a leading global market.

Safer by Design



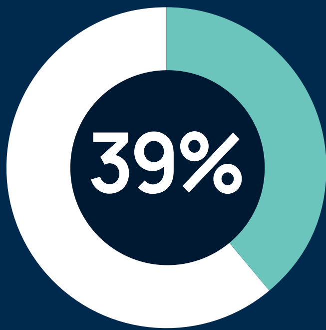
of adjusted continuing Group revenue

£62.4m
of PE26 CER revenue*

Consumer Goods

Dedicated to creating products that enhance wellbeing in homes worldwide and delivering customised filtration and appliance solutions for premium brands.

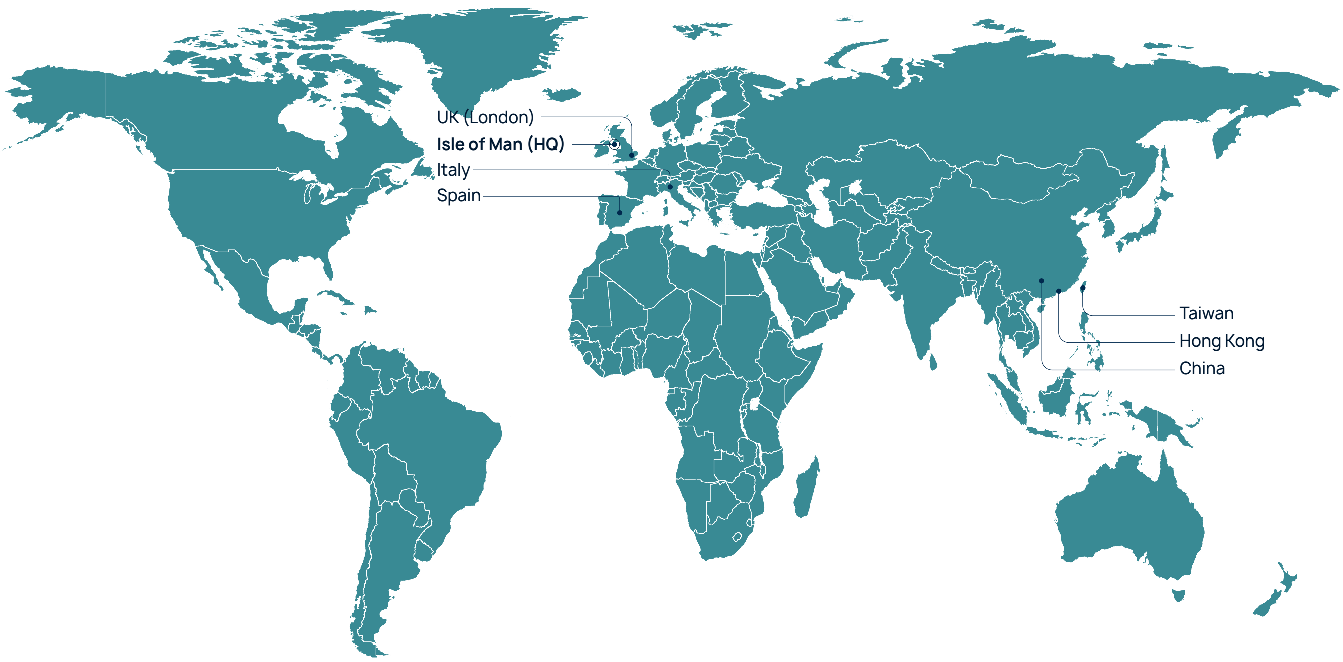
Over 50 years of elevating wellbeing



of adjusted continuing Group revenue

£40.2m
of PE26 CER revenue*

Strix's global locations:



Billi (discontinued operation)

Premium instant boiling, chilled and sparkling filtered water systems with customers in commercial, institutional, retail and hospitality sectors.

£50.6m
of PE26 CER revenue*

*"CER", being Constant Exchange Rate, is calculated by translating the PE26 (15-months ended 31 March 2026) figures by the average FY24 exchange rate.

Highlights for Strix[1]

in the 15-month period to 31 March 2026 (the "Period")

(All figures at CER)[2]

Totals (continuing and discontinued operations)

Revenue

£153.2m

PE26	£153.2m
FY24	£144.2m

Adjusted profit before tax

£10.1m

PE26	£10.1m
FY24	£18.0m

Adjusted EBITDA margin

18.5%

PE26	18.5%
FY24	24.4%

Adjusted earnings per share

2.8p

PE26	2.8p
FY24	6.5p

Net cash/ (net debt)[3]

£38.7m

PE26	£38.7m
FY24	£(63.7)m

Continuing operations

Revenue

£102.6m

PE26	£102.6m
FY24	£100.9m

Adjusted profit before tax[4]

£2.0m

PE26	£2.0m
FY24	£9.5m

Adjusted EBITDA margin

17.3%

PE26	17.3%
FY24	24.5%

Adjusted (loss)/ earnings per share[4]

(0.1)p

PE26	(0.1)p
FY24	3.7p

Net cash/ (net debt)[3]

£38.7m

PE26	£38.7m
FY24	£(63.7)m

[1] Adjusted results exclude adjusting items, see Note 6(b).

[2] "CER", being Constant Exchange Rate, is calculated by translating the PE26 (15-months ended 31 March 2026) by the average FY24 exchange rate, and "AER" being Actual Exchange Rate.

[3] Calculated in line with banking agreement. See Other Supplementary Information on page 138.

[4] Includes c.£7.0m of non-recurring net interest costs.

Highlights for Strix
in the 15-month period to 31 March 2026

Disposed of the Billi business for net proceeds of c.102.0m (net of cash disposed).

Significant progress in reducing net debt, strengthening the balance sheet and improving financial flexibility.

Share buyback returns £3.7m to shareholders up to date of reporting, at 41.2p average share price. Post period end, Tender Offer returns further £10.0m.

Consumer Goods division accelerates revenue and margin growth.

Positive market momentum, following challenging market conditions in the Controls division.

Changed the financial year-end to 31 March to better reflect seasonality of end markets.

Successful launch of Low-Cost and Next Generation controls underpins a planned recapture of lost market share.

Changes to the leadership team with the resignation of Mark Bartlett by mutual agreement, and the appointment of Andy Rainforth as CEO post Period end.

Cost optimisation programme on track to secure gross annualised savings in excess of £2.0m target.


Strix
60°C
100°C
Strix
Strix

Business Model

With a consistent focus on innovation and optimisation, Strix is well positioned to streamline operations, reduce costs and enhance productivity, whilst staying ahead of emerging trends.

This supports its purpose of making everyday life simpler and more enjoyable, through an integrated ecosystem of innovative, trusted and accessible solutions for water, food, wellness and personal care, through its two operating divisions:

Controls

The Controls division holds a market-leading share of the global kettle safety controls market, with its products used over one billion times each day worldwide. Its customer base includes Original Equipment Manufacturers ("OEMs"), brands and retailers across international markets. These relationships are underpinned by the Group's manufacturing and development expertise, including precision engineering capabilities and extensive know-how in complex design and production applications.

Supported by patent-protected technology, appliance concept development and in-house industrial design services, Strix is positioned as a strategic partner of choice for global brands and SDA manufacturers.

Consumer Goods

The Consumer Goods division designs and manufactures bespoke OEM and private label water filtration and appliance products for leading retailers and premium brands.

In addition, it leverages a multi-channel B2B distribution model, anchored by its core brands LAICA and Aqua Optima. Delivering innovative and accessible water and wellbeing products across global markets.

With integrated global sourcing and manufacturing capabilities, including facilities in Italy and China, the division is well positioned to deliver scalable, cost-efficient and sustainable solutions across the water filtration and wellbeing at home markets.

Billi (discontinued operation)

The Group completed the Disposal of Billi in January 2026. The Group has included this information as the division contributed to 13 months of the 15-month period under review.

Acquired in 2022, Billi designs and manufactures instant boiling, chilled and sparkling premium filtered water systems. Billi's products include proprietary water-cooled technology and cutting-edge filtration, coupled with distinctive design, premium service and support. The division's easy-to-install under bench units offer substantial energy efficiency savings, generating revenues derived from product sales and maintenance services.

This model creates value for all of the Group's stakeholder groups:

Investors	Value for shareholders is driven through a combination of market leadership in Controls and growth in higher-margin Consumer Goods. The Controls division is cash generative supported by strong market share, long-standing customer relationships and patent-protected technology. The Consumer Goods division complements and enhances value by providing higher growth potential through branded products, as well as private-label and OEM offerings, leveraging both established and emerging distribution channels and global manufacturing capabilities to scale efficiently. Together, this balanced model supports revenue growth, margin resilience and strong cash generation, enabling continued investment in innovation and operational efficiency.
Employees	Strix is focused on attracting and retaining high-quality talent aligned with its evolving strategy, vision and values. The Group is committed to investing in employee training, development and engagement initiatives that empower its workforce and support a high-performance culture. This focus enables Strix to remain agile and responsive to changing market dynamics, customer preferences and competitive pressures, while supporting the delivery of its strategic objectives.
Customers	Strix operates as a strategic partner to its customers, leveraging its expertise across the value chain to support their success by providing a superior set of products and services. In addition to supplying finished products, the Group provides manufacturing, quality and design services, underpinned by its strong heritage in water heating and filtration technologies. This integrated approach enables Strix to deliver meaningful added value to customers and consumers globally. Innovation is a key focus, with forward-looking development enabling Strix to introduce new technologies and solutions to its customers and capitalise on emerging market trends.
Suppliers	Strix works closely with its suppliers to build strong, collaborative relationships that deliver mutual value. The Group supports its suppliers in meeting evolving compliance and regulatory requirements, while also partnering with them to drive innovation and continuous improvement across the supply chain. This includes developing more efficient logistics processes and working together to address technical innovation and operational challenges, strengthening the resilience and effectiveness of Strix's supply network.
Regulatory Bodies	Strix maintains open, transparent relationships with regulatory bodies, engaging proactively to ensure compliance with evolving requirements and support effective industry standards. Its focus includes regulatory adherence, product safety, quality standards and governance. This is achieved through regular audits, continuous engagement with authorities, proactive monitoring of regulatory changes, and rigorous internal reviews, risk assessments and external evaluations to uphold high compliance and accountability standards.
Communities	Strix recognises its responsibility to contribute positively to the communities in which it operates. The Group is committed to strengthening its position as a global, socially responsible employer, while reinforcing a strong corporate culture and fostering employee pride in its contribution to local communities across its international footprint.
The Environment	Human impacts on the environment are increasingly recognised as detrimental to the long-term sustainability of society and the planet. Accordingly, responsible environmental management remains a key priority for Strix. In addition to being the right course of action, the development and delivery of environmentally efficient and sustainable products form an integral part of the Group's growth strategy and long-term value creation.

About Strix – Divisions

Controls

- Market leader by value in the global controls market for kettle safety controls, used over 1 billion times every day around the world.
- Strong direct relationships with OEMs, brands and retailers globally.
- Extensive expertise and global presence builds and maintains market position while acting as a barrier to entry for competitors.
- Patent-protected technology, appliance concept ideation and in-house industrial design services make Strix the strategic partner of choice for global brands and SDA manufacturers.

Market

- Global change to SDA market to reach 4.1 billion units in 2029 (c. 2.6% CAGR growth 2024-2029).*
- Strix categorises the controls market into three main segments:
  - Regulated markets: The goal is to defend and grow share through the development of innovative new lower priced/costed products with features that enhance customer value and more widely promote the Strix Global Support Service.
  - Less regulated markets: Continue to drive strong growth in this market by leveraging established OEM partnerships, enhancing Strix brand recognition, and introducing targeted, competitively priced products.
  - China domestic market: Chinese consumers demand new solutions where traditional products are being left behind. A rigorous value-based approach to product development and automation process improvements will drive Strix's share in this extremely cost-competitive market, supported by the launch of the new Low-Cost controls.

Strategy

- Profitably grow revenue through the introduction of innovative, new lower priced/costed products focused on sustainability, safety and convenience.
- Leveraging the Group's global manufacturing footprint to drive cost efficiency and improve sustainability.
- 'Good', 'Better' and 'Best' range classification ensures Strix products are aligned to match customer needs and price points.
- Commercialising new applications for controls in emerging high growth appliance categories.
- Ongoing focus on defending Strix's intellectual property and identifying counterfeit or non-compliant kettles that may pose safety risks, particularly on sale through online platforms.

Growth opportunities

- Recapture market share in regulated and less regulated markets via new Low-Cost and Next Generation controls.
- Continued underlying expansion of the less regulated market, supports further opportunities for growth.
- New Low-Cost, market appropriate product range extends addressable market in the China domestic market.
- New applications of controls in SDA markets such as milk frothers, healthy eating appliances, travel kettles and flasks.
- Exploration of wider heat management and technology markets, beyond SDA.

**Source: Statista*

Product Spotlight

Low-Cost control

The roll-out of the Low-Cost control continues to progress well, focused on expanding into additional market segments, defending against Chinese competitor manufacturers and increasing Strix's overall addressable market.

Canton Fair

About Strix – Divisions continued

Consumer Goods

- Strong manufacturing capability with facilities in Italy and China to drive premium customised branded OEM business across water filtration and appliance categories.
- Private label and trade brand agreements with multiple large retailers and brands.
- Two core brands, LAICA and Aqua Optima, offer innovative water filtration and wellbeing at home products to multiple market segments globally.
- Consumer-focused approach across several B2B distributors channels.
- Convenient, simple and sustainable product solutions across water filtration and wellbeing at home.

Market

- The global water filtration market was valued at US$ 37.7 billion in 2025 and is projected to grow from US$ 40.6 billion in 2026 to US$ 72.82 billion by 2034, exhibiting a CAGR of 7.60% during the forecast period.*
- Growing concerns about waterborne diseases and harmful contaminants are driving demand for affordable drinking-water solutions that deliver superior filtration and purification. In particular, heightened awareness of "forever chemicals" (PFAS/PFOA) in tap water.
- Despite cost of living crisis, sustainability remains a key consideration in many consumer purchase journeys, supporting an ongoing move away from bottled water in favour of more sustainable alternatives.
- Increasing consumer appetite for high-quality coffee machines is accompanied by growing demand for water filtration systems, required to maximise taste and machine lifespan.
- Private label opportunities for products that are competitively priced for markets with less consumer loyalty due to changing purchasing habits and disposable income challenges.
- High quality, well designed European brands, such as LAICA remain well positioned to take market share versus the competition.

Strategy

- Focus on premium OEM customers, extending depth of existing relationships and expanding into new water filtration and appliance partnerships.
- Ongoing investment and development of water filtration range, focused on addressing rising consumer demands to remove specific contaminants, including "forever chemicals", in addition to evolving taste preferences and the demand for additive technologies.
- Develop and expand existing private label relationships, retaining market access where consumers trade down to cheaper alternatives.
- Focus on geographical expansion of the LAICA brand into Europe, UK and Asia, supplemented by enhanced marketing strategy.
- Rationalised product portfolio continues to drive margin accretion, assisted by higher manufacturing automation levels.

Growth opportunities

- Expand OEM contracts and partnerships in water filtration and appliance manufacturing.
- Grow trade brand manufacturing agreements with multiple large retailers both for filters and appliances.
- Grow brand awareness concentrating investment on the LAICA brand across key target territories.
- Introduce new home and wellbeing focused products targeting incremental market segments addressing customers needs and adding value.
- Further investment into sales and commercial teams to drive faster and more focused growth opportunities.

**Source: Fortune Business Insights*

Product Spotlight

Mediterranean Breeze kitchen scales and wireless vacuum sealer

Wireless self-vacuuming food and coffee containers

Mixer with cooking function

New LAICA hot and cold water dispenser with double filters, also providing ultrafiltration against microplastics

Chairman's Report

A period of significant transformation

Following a review of the Group's reporting calendar, the Board concluded that changing the financial year end from 31 December to 31 March would better reflect the seasonality of the Group's end markets, particularly around the important holiday sales period, while also enabling the business to better incorporate industry insights gathered from the Canton Fair into its forecasting and planning processes.

"Net cash positive and firmly focused on our core business, we are well positioned to build on our technical strengths, deepen our customer partnerships, and drive sustainable long-term growth."

Gary Lamb
Non-Executive Chairman

The period under review for this Annual Report covers the 15-month period from 1 January 2025 to 31 March 2026, (the "Period" or "PE26").

The Period was one of significant transformation for Strix, characterised by decisive strategic action, organisational change and continued resilience in the face of a challenging macroeconomic environment. Against a backdrop of geopolitical uncertainty, inflationary pressures and evolving global trade dynamics, the Board took a number of important steps to strengthen the Group's financial position including the disposal of the Billi business. This transitioned the Group into a strengthened net cash position and enabled the return of excess capital to shareholders through a Tender Offer and share buyback programme, alongside changes to the Group's leadership and Board composition.

While market conditions remain challenging, particularly across certain consumer markets, the Board believes these actions have strengthened the Group's platform for future growth, enabling continued investment in strategic opportunities and innovation while supporting sustainable long-term shareholder value.

Disposal of Billi (the "Disposal")

A significant strategic milestone during the Period was the successful disposal of the Billi business in January 2026. The transaction represented an important step in strengthening the Group's balance sheet, reducing leverage and sharpening the strategic focus of the business. Acquired in November 2022 for approximately £38.0m, Billi developed significantly under Strix's ownership by expanding its production capacity in Australia, strengthening its management structure, enhancing customer service capability, launching a flagship showroom in London and accelerating expansion opportunities across international markets. During the Period, Billi continued to report strong growth rates, building momentum across both residential and commercial channels.

The Disposal to Crescent Capital Partners at an enterprise value of £110m represented an approximate threefold return on the Group's original investment. Following closing adjustments, the transaction generated net proceeds of £102.0m (net of cash disposed).

The Board's decision to divest was made against the backdrop of ongoing macroeconomic and geopolitical challenges, including softer consumer demand within the Controls division, indirect tariff impacts, US dollar weakness and broader market volatility, all of which heightened the importance of deleveraging and strengthening the Group's financial position.

The proceeds from the Disposal were used immediately to repay the Group's existing multi-bank debt facilities in full. The Group retains a smaller undrawn £25.0m revolving credit facility, with annual net interest costs expected to fall below £1.0m compared to approximately £7.5m in the prior calendar year.

Following the Disposal, the Group is now more streamlined, financially secure and strategically focused.

Board changes

During the Period, the Board continued to ensure the Group maintains the appropriate balance of commercial, operational and strategic expertise to support its ongoing development and long-term objectives.

The Board announced that, by mutual agreement, Mark Bartlett would step down as CEO and a Director of the Group with effect from 29 May 2026. Mark joined Strix in 2006 and served as Chief Executive Officer since 2015, playing a significant role in the development and growth of the Group. The Board would like to thank Mark for his contribution both as a member of the Strix Board and to the wider Strix business for almost 20 years, and wish him all the best for the future.

Rachel Pallett, who joined Strix in 2023 as Chief Commercial Officer of Controls and Billi, was in July 2025 appointed to the Board as an Executive Director.

In February 2026 Rachel informed the Board of her decision to step down to pursue the role of CEO at Billi. The Board would like to thank Rachel for her contribution to Strix and wish her every success for the future.

New CEO appointment

In June 2026 the Group announced the appointment of Andy Rainforth as the new CEO of Strix. Andy brings over 30 years of international business leadership experience, having successfully led multi-country product and technology businesses across manufacturing, hardware, SaaS, and channel-led models. His proven track record includes P&L leadership, driving operational improvements, and delivering value creation plans across complex, regulated, and global marketplaces.

The Board was delighted to welcome Andy on 13 July 2026 and believes that his extensive experience in driving growth, operational excellence, and value creation makes him the ideal leader to guide Strix through the next phase of its evolution.

The market

The Period was characterised by continued macroeconomic uncertainty and challenging trading conditions. Consumer demand within the SDA sector remained subdued throughout much of the Period, influenced by inflationary pressures, higher interest rates, weaker consumer confidence and ongoing geopolitical instability. In addition, evolving global trade dynamics, indirect tariff impacts and currency volatility, particularly the weakening of the US dollar, continued to create headwinds for the Group's Controls division.

As has been widely reported, since the last quarter of calendar year 2025, copper and silver prices have remained significantly higher than prior-year levels. The ongoing Middle East conflict is also impacting consumer sentiment and contributing to higher oil prices, resulting in increased volatility in the underlying commodity costs of plastics used in both Strix's controls and water filters.

Chairman's Report continued

For Controls, where the majority of sales are made to Chinese OEMs, US tariff related pressures were experienced during the Period as evidenced through reduced OEM order volumes, increased competitor activity from Chinese controls manufacturers and the weakening of the US dollar. These factors, alongside the challenging macroeconomic backdrop, contributed to heightened pricing pressure across markets and a reduction in the Group's regulated market share, particularly within the growing US end market.

Trading pressures started to ease during the final months of 2025 and have continued to show improvement in the first half of 2026.

Controls

The Controls division generated revenues of £62.4m (FY24: £69.5m) at CER. Trading conditions remained challenging during the Period, with a marked slowdown in demand during the middle of 2025, particularly in regulated markets as customers remained cautious around inventory levels and ordering patterns.

Encouragingly, the division saw trading momentum start to recover towards the end of the Period following the easing of certain tariff-related pressures. In the final three months of the Period, trading volumes outside the China domestic market were consistently ahead of the comparable prior year period, supported by improving order books and stronger demand. This positive momentum has continued into the new financial year, albeit trading volumes remain lower than pre-2025 comparatives.

In response to copper and silver prices remaining significantly higher, the Group successfully implemented a price surcharge/increase programme during the Period, with discussions continuing into Q1 FY27 for a small number of strategic customers which have now been successfully concluded. While these actions have helped mitigate the impact of higher input costs, commodity price volatility continues to present a headwind to divisional margins.

The division also continued to advance its Low-Cost and Next Generation control platforms, which are designed to enhance competitiveness, preserve and regain regulated and less regulated market share and increase the Group's addressable market. These products have demonstrated encouraging initial commercial success following their launch and are supporting the Group's ability to compete effectively in an increasingly price-sensitive environment. However, the ongoing roll-out of these lower priced products is expected to result in a shift in overall product mix, resulting in lower average selling prices ("ASP") and an ongoing pressure on divisional margins.

Alongside these commercial initiatives, the Group continues to maintain a disciplined approach in the highly price-sensitive China domestic market, choosing to exit non-profitable business where appropriate. Ongoing production efficiency and cost optimisation programmes also remain focused on protecting margins and strengthening the division's competitive position.

Consumer Goods

The Consumer Goods division delivered an encouraging performance during the Period, reporting double digit growth following the successful restructuring undertaken in 2024. Adjusted revenues increased to £40.2m (FY24: £31.4m) at CER. Growth was supported by the ongoing rollout of appliance manufacturing in China for the division's leading global baby brand customer, alongside continued progress in expanding bespoke OEM water filtration volumes.

A key strategic focus for the division was the continued development of its water filtration capabilities. The launch of a patent-pending filter series designed to address PFAS substances, also known as "forever chemicals", that contaminate household water supplies, positions the business at the forefront of an increasingly important health and environmental category. This enhanced filtration offering, together with developments in anti-bacterial and additive technologies, supports the Group's ambition to capitalise on the growing water filtration market.

The division also continued to invest in strengthening the LAICA brand and expanding its presence in strategic markets. September 2025 marked the launch of the LAICA brand in the UK, supported by a marketing campaign aimed at increasing consumer awareness and supporting future growth opportunities. In parallel, the division expanded its operational capabilities through the planned installation of new automated assembly and packaging lines for anti-bacterial filters in its Italian manufacturing site.

Overall, the progress achieved during the Period reflects the division's successful repositioning towards higher value growth categories and provides a stronger platform for sustainable long-term growth.

Cost optimisation

As part of the Group's cost optimisation programme announced in March 2026, the Board approved the planned closure of the Group's manufacturing operations in Ramsey, Isle of Man, following a comprehensive review of the long-term viability of the site. While the Isle of Man remains central to the Group's identity, with its head office and research and development functions continuing to be based on the Island, the decision reflects Strix's ongoing commitment to continuous improvement, operational efficiency and disciplined capital allocation. The closure of the Ramsey manufacturing facility, alongside the planned closure of the Group's small US operation, reductions in PLC-related costs and the implementation of lean manufacturing initiatives across its Chinese site, is expected to deliver annualised cost savings that exceed the original targets established under the programme.

IP & protection strategy

Strix continues to monitor the competitive landscape closely, responding through product innovation, technology development and active intellectual property protection. During the Period, increased Chinese competitor activity, particularly in products serving the US market, reinforced the importance of protecting the Group's technology, quality and market position. Strix continues to pursue IP enforcement and patent infringement actions while working with authorities to remove unsafe and non-compliant products from the market. The global market leadership position remains supported by long-standing relationships with global brands, retailers and OEMs, together with the value the Group can add via product design, engineering and manufacturing.

Sustainability

The Group continued to make progress against its ESG priorities in line with its Purpose, People, Planet framework. Energy consumption reduced on an annualised basis, reflecting lower production volumes and ongoing efficiency initiatives, with improvements in energy intensity on a revenue basis, across operations. Scope 1 and 2 emissions also declined on an annualised basis, and the Group remains significantly ahead of its Paris-aligned reduction pathway, having achieved a 93% reduction versus its base year. The Group remains carbon neutral through the use of certified carbon credits.

Waste and water usage both decreased, with high recycling rates maintained and minimal landfill contribution (for continuing operations). Health and safety performance remained stable, with a continued focus on reducing incident severity. Investment in R&D continued, reinforcing the Group's commitment to sustainable innovation.

Outlook

Whilst uncertainty surrounding the Middle East conflict continues to make the consumer demand and commodities outlook more difficult to predict, Strix has started FY27 with positive momentum. Controls volumes are continuing to stabilise and the roll-out of the new Low-Cost controls range is aiding the Group in starting to recapture lost market share, albeit at lower pricing and marginality. For Consumer Goods, the positive product mix changes the division saw in PE26 have continued into Q1 of FY27, with a shift towards higher margin routes to market.

The Controls price increase programme finalised in Q1 of FY27, is helping to offset the impact of silver and copper prices. Already identified cost optimisation initiatives are expected to secure savings ahead of the previously reported £2.0m gross annualised target, with further work continuing via the Group's embedded culture of continuous improvement.

Under the leadership of the Group's new CEO, Andy Rainforth, Strix is undertaking a period of commercial re-assessment as part of a wider strategic planning process. Following this, Strix will present a full strategic update at its Capital Markets Day later in the financial year. This update will include a comprehensive capital allocation framework, outlining how the Group plans to balance investment in strategic growth opportunities with capital discipline and shareholder returns, while ensuring the Group remains well positioned to deliver sustainable long-term value.

The Board would like to thank all Strix employees for their hard work, commitment and resilience throughout what has been a transformational period for the Group. Against a challenging macroeconomic and geopolitical backdrop, the dedication of our teams across all regions has enabled Strix to navigate significant change while continuing to support customers and execute on a number of key strategic priorities.

The Board would also like to thank shareholders for their continued support and engagement during this important period for the Group. Despite ongoing macroeconomic challenges and competitive pressures, particularly within the Controls division, the Board remains confident in the Group's long-term prospects. Supported by a strong financial position, a market-leading Controls brand, established expertise in the growing water filtration market and an experienced leadership team, the Group is well positioned to return to a period of sustainable growth and continue creating long-term value for shareholders.

Gary Lamb

Non-Executive Chairman

3 August 2026

Meet Our New CEO – Andy Rainforth

Andy Rainforth joined Strix on 13 July 2026 as the Group's new CEO.

Andy brings over 30 years of international business leadership experience, having successfully led multi-country product and technology businesses across manufacturing, hardware, SaaS, and channel-led models. His proven track record includes delivering value creation plans in complex, regulated, global marketplaces, driving operational improvements and P&L leadership.

"I am excited to be joining Strix as CEO and look forward to working with the Board and the talented team to deliver on our strategic ambitions to create long-term value for all stakeholders."

Andy Rainforth
Chief Executive Officer

Prior to joining Strix, Andy served as Group Chief Commercial Officer at A-SAFE Ltd, a PE-backed global manufacturer and technology-enabled safety business, and as Managing Director and Group Commercial Lead at AIM quoted Grosvenor Technology / Newmark Security Plc. He has also held senior leadership roles at Honeywell Security Group and founded SecurePro Ltd, demonstrating entrepreneurial acumen and expertise in scaling businesses.

Andy holds an MBA with Distinction from Manchester Business School and has completed executive education at the University of Cambridge and SOAS University of London, University of London.

What attracted you to Strix?

Strix has a great reputation for innovation, quality, and global reach in the kettle controls and water filtration markets. I think the Group's commitment to sustainability, its strong engineering heritage, and its ability to adapt and lead in highly regulated, international environments is particularly attractive. The opportunity to work with a talented team and build on Strix's legacy of market leadership was a compelling proposition.

Can you tell us about your career journey before joining Strix?

My career spans over 30 years in international business leadership, primarily across manufacturing, technology, and security sectors. Most recently, I served as Group Chief Commercial Officer at A-SAFE, where I led commercial strategy and global operations, significantly scaling revenue and building recurring revenue streams. Prior to that, I was Managing Director and Group Commercial Lead at Grosvenor Technology, where I delivered a full operational turnaround and achieved sustained growth. I have also held senior roles at Honeywell Security Group and founded my own technology business, giving me a broad perspective on value creation, operational excellence, and customer focus.

Why did you choose to join Strix at this stage in your career?

After leading businesses through significant growth and transformation, I was looking for a new challenge where I could leverage my experience in scaling operations, driving innovation, and building high-performing teams. Strix's global footprint, strong brand, and ambitious growth agenda align perfectly with my background and aspirations. I believe I can make a meaningful impact as Strix enters its next phase of evolution.

What excites you most about Strix's future?

I am excited by Strix's potential to expand its product portfolio, enter new markets, and further its leadership in sustainability and safety. The Group's culture of innovation and its ability to adapt to changing consumer and regulatory demands position it well for continued success. I see significant opportunities to build on existing strengths and create long-term value for all stakeholders.

How do you plan to lead Strix in this next chapter?

My focus is on strengthening Strix's commercial performance by ensuring we remain closely aligned with our customers, anticipate changing market dynamics and continue to develop products that meet evolving consumer needs. We have strong market positions across our businesses, and I see significant opportunities to deepen customer relationships, expand our presence in attractive growth markets and improve the way we bring innovation to market. Alongside this, disciplined execution and operational excellence will ensure we convert those opportunities into sustainable long-term growth.

What message do you have for Strix's customers and shareholders?

I want to thank our customers and shareholders for their ongoing trust and support. Strix's success is built on a foundation of quality, reliability, and partnership. As CEO, I am committed to upholding these values while driving growth and innovation. Together, we will continue to deliver products and solutions that make a positive difference in people's lives and create sustainable value for all our stakeholders.

Investment Case

Strix combines market-leading positions, strong financial foundations and renewed commercial leadership to create sustainable long-term shareholder value.

1.

Global leader in kettle safety controls

Strix is the global market leader in kettle safety controls, with an estimated 40–45% share of the global market by value. Decades of engineering expertise, intellectual property, manufacturing capability and long-standing relationships with leading OEMs, brands and retailers have established Strix as the partner of choice across the industry.

Opportunities for growth

- Innovative low-cost and next-generation products broaden the addressable market to rebuild market share.
- Continued expansion in less regulated markets.
- Leveraging core capabilities into adjacent thermal management technologies.

2.

Well positioned in attractive and growing end markets

The Consumer Goods division combines recognised brands, OEM partnerships and private-label relationships with integrated manufacturing capabilities in Italy and China. Growing consumer demand for healthier drinking water, improved filtration technologies and trusted brands provides a compelling platform for long-term growth.

Opportunities for growth

- Deepen strategic Brand and OEM partnerships, via targeted commercial investments.
- Expand water filtration technologies and product range.
- Grow multi-channel distribution and the LAICA brand internationally.

3.

Renewed commercial leadership focused on long-term growth

The appointment of a new CEO marks the beginning of the Group's next phase of development, bringing a renewed focus on commercial excellence, customer needs and a clear focus on profitable growth. A comprehensive review of strategic investment opportunities, disciplined capital allocation and a refreshed medium-term growth strategy will position the Group for sustainable value creation.

Alongside this renewed commercial focus, the Group is driving greater accountability, faster decision-making and a performance-led culture to support sustainable, profitable growth.

A Capital Markets Day later in the year will provide investors with further detail on the Group's strategic direction and medium-term growth ambitions.

4.

Strong cash generation and disciplined capital allocation

Following the Billi disposal, the Group has entered FY27 with a strong net cash position and significant financial flexibility. Combined with the inherently cash-generative Controls business and disciplined working capital management, this provides the resources to invest selectively in attractive growth opportunities while maintaining financial discipline.

5.

Operational excellence supporting sustainable profitability

Continuous improvement remains embedded throughout the Group. Manufacturing automation, productivity initiatives, lean operations and disciplined cost optimisation continue to strengthen competitiveness while creating capacity to invest in future growth.

6.

Responsible business with sustainability embedded

Sustainability remains integral to the way Strix operates. Board oversight, responsible governance and initiatives across environmental, social and governance priorities are embedded within business activities, supporting long-term value creation for all stakeholders.

Chief Financial Officer's Statement

Transitional disclosures

As announced in September 2025, the Group changed its financial year end from 31 December to 31 March. This decision was made to better fit in with trading seasonality, by allowing the Group to finish its financial year at the end of its quietest, rather than its busiest trading quarter. In accordance with UK-adopted International Accounting Standards ("UK-IAS"), these financial statements present the historical financial information for the 15-months ended 31 March 2026 ("PE26"), alongside the comparative financial information for 12-months ended 31 December 2024 ("FY24").

In addition, in January 2026 the Group disposed of the Billi division. In accordance with UK-IAS, the income statements for both PE26 and FY24 include a split between continuing and discontinued operations. With the latter being presented as a single line item on the face of the income statement, further details are provided in Note 28.

To aid understanding during this transitional period, income statement narrative and analysis has been enhanced to provide the following:

- Group: PE26 vs FY24.
- Continuing operations: 12-months ended 31 March 2026 vs 12-months ended 31 March 2025.
- Billi: 12-months ended 31 December 2025 vs 12-months ended 31 December 2024.

Whilst neither of the latter periods represent audited UK-IAS numbers, management believe this additional analysis provides greater clarity to readers of the accounts.

In line with previous years, pre-Disposal Billi trading results have been discussed at a revenue and gross margin level within the adjusted revenue and adjusted trading profit narrative below.

Unless stated otherwise, amounts and comparisons with prior periods are calculated using CER, and where we refer to 'adjusted' this is defined as being before adjusting items as detailed in Note 6(b).

Clare Foster
Chief Financial Officer

Group analysis

Total Group – PE26 vs FY24 (CER)[1]

Adjusted results[2]	PE26 Continuing £m	PE26 Discontinued £m	PE26 Total £m	Total Change	FY24 Continuing £m	FY24 Discontinued £m	FY24 Total £m
Revenue	102.6	50.6	153.2	6.2%	100.9	43.3	144.2
Gross profit	28.2	22.3	50.5	(5.7)%	33.7	19.8	53.5
Gross profit %	27.5%	44.0%	32.9%	(420)bps	33.4%	45.7%	37.1%
EBITDA	17.7	10.7	28.4	(19.2)%	24.7	10.4	35.1
EBITDA %	17.3%	21.0%	18.5%	(590)bps	24.5%	24.0%	24.4%
Overheads	(18.8)	(13.5)	(32.3)	21.7%	(15.5)	(11.0)	(26.5)
Operating profit	9.4	8.8	18.2	(32.6)%	18.2	8.8	27.0
Interest	(7.4)	(0.7)	(8.1)	(9.7)%	(8.7)	(0.3)	(9.0)
Profit before tax	2.0	8.1	10.1	(43.9)%	9.5	8.5	18.0
Profit after tax	(0.5)	6.9	6.4	(56.7)%	8.3	6.4	14.7

1 "CER", being Constant Exchange Rate, is calculated by translating the PE26 figures by the average FY24 rate, and "AER" being Actual Exchange Rate.
2 Adjusted results from continuing operations exclude adjusting items and results from discontinued operation, see Notes 6(b) and 28.

Total Group – PE26 vs FY24 (AER)

Adjusted results	PE26 Continuing £m	PE26 Discontinued £m	PE26 Total £m	Total Change	FY24 Continuing £m	FY24 Discontinued £m	FY24 Total £m
Revenue	102.9	48.2	151.1	4.8%	100.9	43.3	144.2
Gross profit	28.4	21.4	49.8	(7.0)%	33.7	19.8	53.5
Gross profit %	27.6%	44.3%	32.9%	(420)bps	33.4%	45.7%	37.1%
EBITDA	17.9	10.3	28.2	(19.8)%	24.7	10.4	35.1
EBITDA %	17.4%	21.3%	18.6%	(580)bps	24.5%	24.0%	24.4%
Overhead	(18.8)	(12.9)	(31.7)	19.7%	(15.5)	(11.0)	(26.5)
Operating profit	9.5	8.5	18.0	(33.2)%	18.2	8.8	27.0
Interest	(7.4)	(0.6)	(8.0)	(10.8)%	(8.7)	(0.3)	(9.0)
Profit before tax	2.1	7.9	10.0	(44.7)%	9.5	8.5	18.0
Net cash/(debt)[3]			38.7	102.4			(63.7)
Net debt leverage			N/A	N/A			1.88x
Operating cash conversion	119.7%	95.3%	110.8%	(550)bps	114.3%	121.0%	116.3%
Diluted (loss)/earnings per share (pence)	(0.1)	2.9	2.8	(56.9)%	3.7	2.8	6.5
GAAP Measures							
Revenue	102.9	48.2	151.1	6.6%	98.7	43.1	141.8
Operating profit	3.5	68.5	72.0	413.2%	5.8	8.2	14.0
Profit before tax	(4.4)	67.9	63.5	2230.4%	(2.9)	5.6	2.7
Diluted (loss)/earnings per share (pence)	(3.0)	29.2	26.2	N/A	(1.8)	1.2	(0.6)

3 Net debt as defined by the Group's bank facility agreement and excludes the impact of IFRS 16 lease liabilities and accrued interest.

Chief Financial Officer's Statement continued

Continuing Group – Mar 26 12 months vs Mar 25 12 months (CER & AER)

	CER		AER		
Adjusted continuing results	12 months ended Mar 26 £m	Change	12 months ended Mar 26 £m	Change	12 months ended Mar 25 £m
Revenue	87.3	(12.8)%	87.8	(12.3)%	100.1
Gross profit	23.9	(28.0)%	24.2	(27.2)%	33.2
Gross profit %	27.4%	(570)bps	27.5%	(560)bps	33.1%
EBITDA	15.2	(37.9)%	15.4	(37.1)%	24.5
EBITDA %	17.5%	(700)bps	17.6%	(690)bps	24.5%
Overhead	(15.3)	0.1%	(15.4)	0.8%	(15.3)
Operating profit	8.6	(52.0)%	8.8	(51.1)%	17.9

Divisional analysis[1]

Continuing divisional – PE26 vs FY24 (CER & AER)

Continuing operations	PE26 (CER)				PE26 (AER)				FY24 (AER)	
	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Adjusted GP%
Controls	62.4	(10.2)%	33.7%	(610)bps	62.4	(10.2)%	33.7%	(610)bps	69.5	39.8%
Consumer Goods	40.2	27.8%	33.2%	290bps	40.5	28.8%	33.4%	310bps	31.4	30.3%
Group	102.6	1.7%	27.5%	(590)bps	102.9	2.0%	27.6%	(580)bps	100.9	33.4%

Continuing divisional – Mar 26 12 months vs Mar 25 12 months (CER & AER)

Continuing operations	12 months ended Mar 26 (CER)				12 months ended Mar 26 (AER)				12 months ended Mar 25 (AER)	
	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Adjusted GP%
Controls	52.9	(23.8)%	33.5%	(680)bps	52.9	(23.8)%	33.5%	(680)bps	69.4	40.3%
Consumer Goods	34.4	12.0%	33.2%	350bps	34.9	13.7%	33.5%	380bps	30.7	29.7%
Group	87.3	(12.8)%	27.4%	(570)bps	87.8	(12.3)%	27.5%	(560)bps	100.1	33.1%

Discontinued divisional - PE26 (13 months pre-Disposal) vs FY24 (CER & AER)

Discontinued operations	Period ended Jan 26 (CER)				Period ended Jan 26 (AER)				FY24 (AER)	
	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Adjusted GP%
Billi	50.6	17.4%	44.0%	(260)bps	48.2	11.9%	44.3%	(230)bps	43.1	46.6%

Discontinued divisional - 2025 vs FY24 (CER & AER)

Discontinued operations	12 months ended Dec 25 (CER)				12 months ended Dec 25 (AER)				FY24 (AER)	
	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Change	Adjusted GP%	Change	Adjusted Revenue £m	Adjusted GP%
Billi	47.3	9.7%	45.0%	(160)bps	45.1	4.7%	45.2%	(140)bps	43.1	46.6%

[1] Group margins include cost of sales that have been reclassified as Central costs and do not form part of the divisional GP% for the first time in PE26. The prior period numbers have been restated for comparability (see Note 4 of the full year statement).

Adjusted revenue

Assisted by the longer trading period, Group total revenues increased by 6.2% at CER to £153.2m in PE26 (4.8% to £151.1m at AER). Reported continuing revenues at AER (excluding Billi), also saw marginal growth of 2.0% to £102.9m.

Controls

The Period started positively with the Controls division seeing a strong performance in January to March 2025. However, as previously reported, US tariffs introduced in early April 2025, had a significant impact on trading volumes as Chinese OEM customers chose to run down stocks, reduce order volumes and slow production levels due to the unsettled macro conditions. The significantly reduced trading in the three-months from April to June 2025 offset the positive start and, in the six-months ended 30 June 2025, Strix reported Controls revenues were (24.2)% lower at CER and AER than in the comparative period in FY24. From July 2025, trading began to stabilise, and from October 2025 through to the end of the Period, the Group saw some recovery in demand.

Although trading recovered during the latter part of the period, the earlier weakness resulted in Controls revenues for the 12-months ended 31 March 2026 declining by (23.8)% to £52.9m at CER (12-months ended 31 March 2025: £69.4m). For PE26, Controls revenues saw a smaller decline of (10.2)% at CER, reflecting the positive impact of the longer trading period (AER: (10.2)% decline to £62.4m).

In addition to the ongoing volatile macroeconomic environment, and partly in response to these conditions, increasing competition from Chinese controls manufacturers has reduced the Group's regulated market share, particularly in the growing US end market, while also contributing to heightened pricing pressures across all markets.

To address these challenges and to support its regulated and less regulated market share, Strix has continued to introduce and roll out innovative, lower priced and costed Controls products into the market. The latest examples include its Low-Cost and Next Generation controls which were launched in the second half of calendar year 2025 and have shown good initial commercial success. Conversely, and where appropriate, the Group continues to take a disciplined and pragmatic approach in the highly price-sensitive China domestic market, choosing to exit non-profitable business.

Consumer Goods

Following on from the solid 7.0% growth reported in the Consumer Goods division for the first six months of 2025, performance has continued to accelerate, securing double digit revenue growth of 12.0% to £34.4m at CER in the 12-months ended 31 March 2026 compared to the 12-months ended 31 March 2025. The main drivers for this are the continued roll out of appliance manufacturing for a key baby formula customer and a marked increase in bespoke OEM filter volumes.

For PE26, Consumer Goods reported significantly higher growth up 27.8% at CER, reflecting the positive impact of the 15-month period compared to the 12-month period (AER: 28.8% increase to £40.5m).

Billi

Billi continued to perform well, reporting revenue growth in 12-months to 31 December 2025, of 9.7% to £47.3m at CER (4.7% to £45.1m at AER). The Australian market formed the main driver of that growth, supplemented by an ongoing expansion into UK/Europe and South-East Asia.

The PE26 results include only 13 months of Billi trading, up to the Disposal on 30 January 2026. Despite only including one additional month, revenue was significantly higher for PE26, rising by 17.4% to £50.6m (CER) as compared to FY24, reflecting a strong final trading month with the Group (AER: 11.9% increase to £48.2m).

Adjusted trading profit

The Group experienced a decrease of (420)bps to 32.9% at CER in PE26 (AER: 32.9%, FY24: 37.1%) at adjusted gross margin level. This was predominantly driven by the performance of the Controls division and the Disposal of Billi two months before the Period end. Reported continuing gross margin decreased by (550)bps to 25.6% in PE26 (FY24: 31.1%).

Controls

For the 12-months ended 31 March 2026, adjusted gross profit margin decreased by (680)bps to 33.5% at CER (AER: 33.5%, 31 March 2025: 40.3%). This was predominantly due to the impact of the reduction in high margin regulated/less regulated sales volumes over a semi-fixed cost base, coupled with a weaker US dollar in the Period, as c.50% of Controls sales are transacted in US dollar.

For PE26 the decrease is slightly lower at (610)bps to 33.7% at CER (AER: 33.7%, FY24: 39.8%), reflecting relatively weaker trading volumes in Q1 of the comparative FY24 period.

Looking ahead, Strix expects the Controls division's adjusted gross profit margin to remain under pressure due to ongoing volatility in commodity prices. While the successful implementation of previously announced price surcharges and increases is expected to partially offset these cost pressures, it is anticipated that margin headwinds will persist in the near term. The continued roll out of new lower priced products, is already proving effective at preserving and regaining market share, however, this success is accelerating an Average Sales Price ("ASP") shift that at a net divisional level is expected to reduce overall margins.

Consumer Goods

For the 12-months ended 31 March 2026, the Group is pleased to report that Consumer Goods has seen a strong uptick in adjusted gross margin, increasing 350bps to 33.2% at CER (AER: 33.5%, 31 March 2025: 29.7%). Double digit sales growth over a semi-fixed cost base has driven an element of this increase, helped by a positive shift in product mix due to higher bespoke OEM filter volumes in the last six months of the Period.

For PE26, the increase of 290bps to 33.2% at CER is slightly lower due to the higher FY24 comparative (AER: 33.4%, FY24: 30.3%). This reflects a reduced level of appliance manufacturing in FY24, as this was not introduced until H2 of 2024.

Looking ahead, it is expected that the Consumer Goods division's adjusted gross profit margins will remain at c.30%, depending on the specific product mix secured.

Billi

Up until Disposal, Billi continued to perform strongly at adjusted gross profit margin level, securing gross profit margins of 45.0% in calendar year 2025 (PE26: 44.0%, FY24: 46.6%).

Chief Financial Officer's Statement continued

Adjusted net overheads and distribution costs

Group adjusted overheads and distribution costs have increased broadly in line with the longer 15 months reporting period in PE26 to £32.3m at CER (AER: £31.7m, FY24: £26.5m). This net position reflects an overall continued investment in Billi and a relative reduction in the continuing base over the extended period.

For the 12-months ended 31 March 2026, overheads and distribution costs for continuing operations have remained broadly in line at £15.3m (12-months ended 31 March 2025: £15.3m), reflecting an ongoing careful control of costs, ahead of the cost optimisation programme announced in March 2026 and discussed in more detail below.

Adjusted operating profit and PBT

Reflecting the above, for PE26 the Group's adjusted operating profit at CER has reduced by (32.6)% to £18.2m (AER: (33.2)% to £18.0m; FY24: £27.0m) and adjusted PBT reduced by (43.9)% to £10.1m (AER: (44.7)% to £10.0m; FY24: £18.0m).

For the 12-months ended 31 March 2026, adjusted operating profit at CER for continuing operations reduced by (52.0)% to £8.6m (AER: (51.1)%, 12-months ended 31 March 2025: £17.9m).

Reported operating profit for continuing operations at AER reduced by (39.3)% to £3.5m (FY24: £5.8m) and reported loss before tax at AER increased by (51.7)% to £(4.4)m (FY24: £(2.9)m).

Net finance costs (AER)

Net finance costs decreased to £8.0m (FY24: £9.0m), despite the current period comprising 15-months compared with 12-months in the prior year. The reduction reflects lower average gross debt, partially driven by our accelerated debt reduction actions, together with a decline in base interest rates during the Period.

The Disposal of Billi enabled the Group to repay its RCF in full and return to a net cash position. Surplus funds have been placed on term deposit in the short-term to optimise interest income, ahead of the Board announcing a wider strategic update and full capital allocation framework later in the financial year.

Cost optimisation

The Group announced a cost optimisation programme in March 2026, initially targeting gross annualised savings, before investments of c.£2.0m over the next 18 months. Strix is pleased to report that it is expected that these initiatives, which include the planned closure of its Ramsey operations and its small US operation, a reduction in PLC-related costs and the implementation of several lean production initiatives in its Chinese site, will exceed the original target.

Cost optimisation remains a key focus area for the Group, with management focusing on continuous improvement initiatives aimed at maintaining an efficient cost base and streamlining investment to support profitable growth. The Group expects to provide a further update on the progress of this in due course.

Adjusting items – continuing operations (AER)

Non-recurring adjusting items of £6.4m (FY24: £11.9m) primarily comprise restructuring / rebasing costs as well as costs associated with a strategic review.

Restructuring/rebasing

Within Controls, £2.4m (FY24: £1.5m) of costs were incurred, split between restructuring / rebasing and relocation. Restructuring / rebasing costs of £2.0m relate to the Group's strategic decision to reduce inventory levels at its China factory as part of the accelerated debt reduction programme. This initiative successfully delivered a c.£8.0m reduction in manufactured stock held within the Group's Chinese operations, from the peak level reached in September 2025 to the end of PE26. However, the reduction in inventory necessitated a significant net reduction in production volumes over the whole Period. This resulted in excess under-absorbed overheads, which, in accordance with accounting standards, are expensed as incurred.

Working with a local partner, relocation costs of £0.4m were incurred to set up a small low-cost factory in North China, providing Strix with the flexibility to further reduce manufacturing costs and thereby enhance competitiveness in the less regulated and China markets. Outside of the initial investment, the additional ongoing fixed costs related to this site are low. In addition, as part of the Group's cost saving initiatives, and reflecting the retrenchment of the Group's HQ activities to the Isle of Man, Strix closed its office in Hong Kong, incurring a relocation cost of £0.1m.

In Consumer Goods, £1.8m (FY24: £6.4m) of restructuring/rebasing costs were incurred. This primarily comprises a £2.0m write-off of capitalised development costs following commercial reviews of product lines where the Group does not intend to allocate further resources or commercial focus, partially offset by the release of a stock provision of £(0.2)m recognised in FY24.

Strategic review

Strategic review costs of c.£1.6m (FY24: £nil) include third-party adviser fees incurred in the first six months of the Period. The strategic review was performed to provide greater clarity on the Group's medium-term growth ambitions, pre-Disposal, and in part to support preparation for the planned refinancing process. The outcome of significant elements of this review were utilised as part of the Disposal due diligence process.

Arrangement fees of £0.5m (FY24: £nil) were derecognised from the statement of financial position subsequent to the Disposal as the RCF reduced from £80.0m to £25.0m. Under accounting standards this was treated as a modification of the Group's financing arrangements which led to their derecognition.

Settlements

The remaining non-recurring adjusting items relate to the £(0.1)m release of a settlement provision recognised in FY24 (FY24: charge of £3.3m).

Adjusting items - discontinued operations (AER)

The Disposal of Billi, following an unsolicited offer from Crescent Capital Partners was completed for £110.0m on a debt free / cash free basis. The Group received net proceeds of £102.0m after closing adjustments and transaction costs.

Strix acquired Billi, a leading provider of premium instant boiling, chilled and sparkling filtered water systems, in November 2022 for approximately £38.0m and therefore, the Disposal represents an absolute return of c.3x on Strix's original investment. On Disposal, £61.4m has been recognised in the consolidated income statement (see Note 28). In addition, £(0.3)m of relocation costs were incurred before Disposal, relating to the relocation of the Australian site.

Cash flow

Operating cash generation

The Group has maintained consistently high operating cash conversion, with an adjusted operating cash conversion ratio of 110.8% in the Period (FY24: 116.3%).

In addition to the significant efforts made in FY24, ongoing improvements in working capital management have reduced net working capital by a further £2.4m in the Period (FY24: £4.4m). Inventory reduced by £2.3m during the Period, including a c.£4.0m reduction in China inventory (see further details below) from 31 December 2024 to 31 March 2026, partially offset by increased inventory in Billi prior to Disposal and the relocation of the Australian site. Debtors and creditors also reduced, primarily reflecting the change in year end to a seasonally quieter trading quarter, with lower production volumes also contributing to the reduction in creditors.

Accelerated debt reduction

Following the decision to pause the refinancing process in September 2025, an accelerated debt reduction programme was implemented through a series of targeted actions, including inventory reductions at the Group's Chinese facility and the extension of non-recourse debt factoring in Italy.

As a result of the successful implementation of this programme, manufactured inventory levels at Strix's China site reduced by £8.0m by 2026, from peak inventory levels at 30 September 2025. Non-recourse debt factoring remained in line in the Period, lower than the additional €2.0m originally intended, due to the changed interest cost differential, with the Group being in a net cash position at the Period end.

Notwithstanding these self-help measures, net cash generated from operating activities in PE26 reduced to £22.1m (FY24: £32.1m) due to lower profitably and the cash impact of adjusting items.

Investing activities

Measured and careful monitoring of capital expenditure has allowed the Group to maintain reduced investment outflows of £7.7m (FY24: £8.2m), including a £1.6m spend on the pre-Disposal Billi HQ relocation in Australia and a £1.0m investment in the launch and roll out of the Next Generation controls product line.

Capitalised development costs have also been carefully controlled, with £1.9m capitalised in the Period (FY24: £2.2m; FY23: £3.7m), predominantly relating to the Next Generation controls products and OEM appliance manufacturing. The Disposal saw a net amount of £102.0m received (after post period end completion accounts adjustment of £0.5m), which represents £105.4m net proceeds, less the cash Billi had on the balance sheet on Disposal.

Financing activities

In financing activities, there was an outflow of £80.6m in external borrowings as the RCF and Term loan were repaid in full in February 2026. This repayment was offset in part by the pre-Billi Disposal drawdown of short-term facilities in the Group's Chinese and Italian operations (£6.1m).

Net finance costs of £7.4m (FY24: £8.7m) were paid in the Period and c. £2.9m of shares repurchased as part of the £10.0m share buyback programme announced after the Disposal of Billi.

Net debt/cash and banking

Cash generation and net debt reduction remained key priorities for the Group in the Period. As a result of that focus, and reflecting on all the successes discussed above, including the Disposal of Billi, the Group has seen a fundamental change in its balance sheet position over PE26. Overall Strix secured a £105.3m net cash inflow, before returns to shareholders of £2.9m, taking the Group from a net debt position of £(63.7)m as at 1 January 2025 to a net cash position of £38.7m as at Period end.

The Disposal eliminated the Group's reliance on debt funding, with the outstanding RCF balance repaid in full. The current facility was maintained to preserve the existing cross-border guarantee structures, specifically given the Group's high asset base in China. However, to remain cost effective, the facility quantum was reduced from £80.0m to £25.0m and HSBC and Barclays exited the facility, leaving IOM Bank (Natwest) as the sole lender. For further information on the remaining facility, see Note 17.

Looking ahead, the Group will continue to engage proactively with its current banking partner and a select number of additional institutions to maintain relationships for the future. Following completion of its strategic planning process, the Group intends to initiate a refinancing process with a focused group of banks, with the objective of securing appropriate, cost effective and flexible funding to support its medium-term, investment driven growth.

Returning capital to shareholders & capital allocation

Following the successful Disposal of Billi and the resulting strengthening of the Group's balance sheet, the Board undertook a review of capital allocation priorities and opportunities to ensure Strix is well positioned to support long-term value creation but also to return excess capital to shareholders.

As part of this process the Group launched a £10.0m share buyback programme as announced in February 2026 and subsequently completed a £10.0m Tender Offer post Period end in May, successfully returning further capital to shareholders.

At the time of the Disposal, the Board stated that a portion of the proceeds would be retained to fund future strategic growth initiatives. As announced in July 2026, following the successful completion of the Tender Offer and the appointment of Andy Rainforth as the Group's new CEO, the Board believed it was appropriate to pause the share buyback programme while a broader review of the Group's strategic priorities and future capital allocation plans is completed.

As at 9 July 2026, the Group had repurchased approximately 8.9m ordinary shares under the buyback programme for an aggregate consideration of £3.7m, at an average purchase price of c.41.2 pence per share.

Looking ahead, Strix will present a comprehensive capital allocation framework later in the financial year as part of a wider strategic update. This framework will outline how the Group intends to balance investment in strategic growth opportunities with disciplined capital allocation and shareholder returns, while ensuring it remains well positioned to deliver sustainable long-term value.

Clare Foster

Chief Financial Officer

3 August 2026

KPIs

Financial and non-financial Key Performance Indicators ("KPIs") are used to track and measure Strix's progress over time.

		PE26 Group Total	FY24 Group Total	Continuing operations	Discontinued operations
Financial[5]	Adjusted revenue[1,2]	£153.2m	£144.2m	PE26 £102.6m FY24 £100.9m	PE26 £50.6m FY24 £43.3m
	Adjusted EBITDA margin[1,2,3]	18.5%	24.4%	PE26 17.3% FY24 24.5%	PE26 21.0% FY24 24.0%
	Operating cash conversion[1,3,4]	110.8%	116.3%	PE26 119.7% FY24 114.3%	PE26 95.3% FY24 121.0%
Strategic	Billi growth rate	9.7% 2025 vs FY24	7.0% FY24 vs FY23		2025 9.7% FY24 7.0%
	Share of the global kettle controls market by value	40-45%	47-52%	PE26 40-45% FY24 47-52%	
	R&D expenditure as a % of revenue	4.2%	3.0%	PE26 5.8% FY24 4.4%	PE26 2.2% FY24 0.5%
	Revenue growth from key Consumer Goods OEMs	29.3%	4.9%	PE26 29.3% FY24 4.9%	
Sustainability	Lost time accident frequency rate per 200,000 hours	1.1	1.1	PE26 1.0 FY24 1.0	PE26 2.0 FY24 1.4
	Energy intensity MWh / £M	102.1	111.0	PE26 140.6 FY24 155.1	PE26 14.1 FY24 13.7
	Women in senior management	25.0%	27.0%	PE26 25.0% FY24 30.0%	PE26 25.0% FY24 11.0%
	Women in Strix Group	48.0%	59.0%	PE26 55.0% FY24 60.0%	PE26 30.0% FY24 27.0%

[1] Adjusted results from continuing operations exclude adjusting items, see Note 6(b) and results from discontinued operations see Note 28.

[2] "CER" being Constant Exchange Rate, is calculated by translating the PE26 figures by the average FY24 exchange rate, and "AER" being Actual Exchange Rate.

[3] EBITDA, which is defined as earnings before finance costs, tax, depreciation and amortisation, is a non-GAAP metric used by management and is not an IFRS disclosure.

Definition	Progress
Value of items sold during the Period by the Group.	Continuing operations experienced a challenging 15-month period in the Controls division, reflecting ongoing macroeconomic uncertainty, including the impact of tariffs and a weaker US dollar. This was partly offset by strong growth in Consumer Goods, supported by increased demand from OEM customers. Overall, adjusted revenue increased during the Period, benefiting from the 15-month reporting period compared with the 12-month prior-year comparator. Billi, reported within discontinued operations, delivered strong double-digit growth over the 13-month period, reflecting continued progress with customers across its key target markets.
Adjusted EBITDA margin highlights the underlying operational performance of the Group excluding the impact of adjusting items, net finance costs and depreciation and amortisation.	Adjusted EBITDA margins in continuing operations declined during the Period. This reflected the impact of the reduction in high margin regulated/less regulated Controls sales volumes over a semi-fixed cost base, coupled with a weaker US$. Offset in part by positive product mix shifts in Consumer Goods. Billi continued to deliver a >20% margin performance prior to Disposal.
Operating cash conversion measures the extent to which the Group converts operating profit into operating cash flow. It is typically calculated as operating cash flow, excluding the cash impacts of adjusting items and tax, divided by operating profit.	The Group delivered strong operating cash conversion across both continuing and discontinued operations, supported by focused debt reduction initiatives. These included targeted inventory reduction, most notably at the China manufacturing facility.
Growth in the value of items sold during the calendar year within the Billi division.	Billi continued its successful history of growth, achieving 9.7% growth in 2025 vs FY24 supported by its successful geographical rollout strategy in Europe, South East Asia and the Middle East.
The Group's global Controls revenue as a percentage of estimated (based on various internal and external data points) total global Controls market revenue. It is an approximate comparator and hence is provided as a range.	Whilst global revenue market share has reduced due to market share loss, the Group remains the global market leader by value.
Total R&D expenditure (including capitalised costs) as a percentage of reported revenue, which supports the Group's investment in future technologies and products.	R&D spend within expected range of 3.0% - 5.0% of revenue in line with the medium-term goals to support long-term growth aspirations.
Increasing trading with key OEM customers is a key strategic driver of the Consumer Goods division. Growth is calculated as total key OEM revenue (excluding promotion activities) in the current Period over equivalent revenues in the prior year.	Further expansion and extension of key OEMs relationships drives strong increase in revenues across both water filtration and appliance manufacturing.
This refers to the total number of accidents recorded that resulted in employees missing work due to injury.	The Group has maintained the lowest level of lost time accidents since 2020.
The total Scope 1 and 2 energy consumption divided by the Group revenue.	Reduced levels reflecting lower volumes and restructuring activities including relocation from Isle of Man to China.
This refers to the number of women in senior management roles expressed as a percentage of all senior management level employees.	Decrease following Rachel Pallett's resignation from the Board to take up the role of CEO of Billi.
This refers to the number of women working across the Group expressed as a percentage of total employees.	In line with previous years, women continue to make up around half of the Group's employees.

[4] Adjusted cash generated from operations as a percentage of adjusted EBITDA.

[5] ROCE has temporarily been removed from Financial KPIs given the significant change in capital position post Billi Disposal. A full capital allocation framework, which will include a review relevant KPIs, will be presented later in the financial year, as part of a wider strategic update.

Responsible Business

Richard Sells
Non-Executive Director

"Strix continues to make good progress against its sustainability agenda, remaining focused on building a resilient, responsible and efficient business through continued investment in its people, operations and innovation capabilities. Our progress reflects a long-term commitment to responsible business practices, continuous operational improvement and sustainable growth.

Sustainability remains embedded within the way we operate and the decisions we make, supporting both the delivery of our strategy and the creation of long-term value for all stakeholders. This progress would not be possible without the dedication and commitment of our colleagues across the Group, whose efforts continue to strengthen our culture and support the evolution of the business."

Sustainability strategy

Sustainability remains at the core of Strix's purpose-driven strategy for growth. The Group's approach is underpinned by a Planet–People–Purpose framework, which provides a clear structure for embedding sustainability across the business. To ensure this translates effectively into day-to-day operations, the framework is supported by a set of operational pillars aligned with both the UN Sustainable Development Goals ("UN SDGs") and Strix's internal sustainability KPIs. This reflects the Group's broader philosophy of continuous improvement, progressing targets that apply equally to its sustainability agenda as to Strix's manufacturing operations.

At the heart of this strategy is a clear recognition of the importance of stakeholders. Strix's approach is shaped through ongoing dialogue and long-established relationships, enabling the Group to understand and respond to the evolving needs of each stakeholder group. Customers are central to this, reflected in a sustainability roadmap that prioritises product safety, particularly given the proximity of electricity and water, alongside energy efficiency and lifestyle improvements, notably through the expansion of LAICA's geographic footprint and evolving product offering.

Solutions for sustainable living

It is Strix's ethos to innovate safety, design for a sustainable future and to develop products which reduce environmental impact.

Associated SDG

Doing more with less

Reducing product material content, carbon footprint, waste and in-use energy requirement to minimise the stress on the world's natural resources.

Associated SDG

Wellbeing and equality in the workplace

Employee equality, welfare and engagement are critical for developing the Group's key asset. Proactive actions include training, health, and employee career progression

Associated SDG

Community engagement

To leverage the Group's strengths to benefit the local community including biodiversity.

Associated SDG

Supply chain

Develop sustainable practices with direct suppliers to ensure highest standard of compliance and develop mutually beneficial carbon reduction strategies.

Associated SDG

Standards and certification

Strong ethics culture backed by compliance with a full spectrum of internationally recognised standards.

Associated SDG

Beyond customers, Strix recognises the importance of its shareholders, as providers of capital, and its employees, whose expertise and versatility underpin the Group's performance. The Group also operates within an increasingly interconnected ecosystem, where communities and suppliers play a vital role. Regulatory bodies are similarly integral, helping to shape the ethical and operational environment in which the Group operates.

Strix also considers stakeholders in a broader context. While the environment and nature do not have a direct voice, the Group recognises its daily interaction with, and impact on, them. While historically focused on its emissions profile, Strix is increasingly taking a more holistic view of its environmental footprint, aligning its approach with the expectations of its wider stakeholder base.

ESG: KPIs

KPI	Measurement	Unit	FY23			FY24		
			Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Climate emissions	Scope 1 and 2 (absolute)	tCO_2e	378	207	**585**	330	216	**546**
	Scope 1 and 2 (intensity)	tCO_2e/£m	3.7	5.0	**4.1**	3.3	4.8	**3.8**
Energy	Energy used	MWh	14,294	589	**14,883**	15,307	623	**15,930**
	Renewable electricity generated	MWh	1,126	165	**1,291**	1,144	174	**1,318**
	Energy intensity	MWh/£m	138.4	14.3	**103.0**	155.1	13.7	**110.6**
	Energy intensity	kWh/unit of production (k)	12.4	52.6	**12.9**	11.4	43.2	**11.9**
Waste and recycling	Waste generated	t	1,290	49	**1,339**	1,332	49	**1,382**
	Waste intensity	t/£m	12.5	1.2	**9.3**	13.5	1.1	**9.6**
	Recycled waste	%	96.2	77.0	**95.4**	98.3	69.0	**97.2**
Clean water and sanitation	Water consumption	m^3	30,904	876	**31,780**	40,621	1,209	**41,830**
	Water intensity	m^3 /£m	299	6	**220**	411	8	**290**
Health and safety	Lost time injury frequency rate	per 200,000 hours	1.8	0.0	**1.5**	1.0	1.4	**1.1**
Gender equality	Women in senior management	%	25	7	**27**	30	11	**27**
	Women in the organisation	%	50	49	**51**	60	27	**59**
Innovation	R&D/sales	%	4.3	0.2	**3.1**	4.4	0.5	**3.0**

PE26				
Continuing Operations	Discontinued Operations	Total	Target	Progress
381	220	**601**	Net zero Scope 1 and 2 emissions (significantly ahead of the Paris 1.5°C requirement).	Continuing Operations: Scope 1 and 2 emissions increased 15% but declined 7% on an annualised basis. Highlight from an emissions perspective was the move to electric vehicles in China, eliminating their Scope 1 transport associated emissions. The Group remains well ahead of the Paris 1.5°C targets with 93% reduction in Scope 1 and 2 emissions from the base level. Focus remains on how to reduce emissions albeit these become harder the more progress is made. Our remaining emissions are offset using certified carbon credits ensuring that Strix is a carbon neutral business.
3.7	4.9	**4.1**		Continuing Operations: Intensity increased 12% due to the lower annualised revenue combined with the fixed energy requirements.
14,472	635	**15,107**		Group: Energy usage at 15,107MWh was 5.2% lower, 24.1% lower on an annualised basis, reflecting lower volumes, restructuring activities including relocation from IoM to China and elimination of the commissioning impacts associated with the new Chinese facility. Continuing Operations: Energy usage at 14,472MWh was 5.5% lower, 24.3% lower on an annualised basis.
1,465	94	**1,559**		Group: Renewable electricity generated increased 18% in absolute terms but declined 5.4% on an annualised basis. This reflected lower generation at Billi reflecting the relocation to a new facility with no solar generation capacity. Continuing Operations: While overall electricity usage is lower in the Period, renewable electricity generated increased by 28% in absolute terms (2.4% on an annualised basis). Electricity purchased in the Period decreased, therefore renewable electricity generated accounted for 10.9% (compared to 8% in FY24) of electricity consumption in the Period.
140.6	14.1	**102.1**	3.0% intensity reduction.	Group: Improved from 110.6 to 102.1. Continuing Operations: Improved from 155.1 to 140.6. Positive improvement albeit impacted by volume volatility.
12.9	43.8	**13.4**		Group: Increased (deteriorated) from 11.9kWh per thousand pieces to 13.4. Continuing Operations: Also increased from 11.4 to 12.9. Reflecting the lower number of parts produced whilst much of the energy consumption such as heating costs are relatively fixed.
1,142	64	**1,206**		Continuing Operations: Waste declined by 14% or by 24% on an annualised basis. Whilst lower volumes contributed to this waste, intensity improved by 19% highlighting significant underlying improvement, benefiting from the restructuring and focus on continuous improvement.
11.1	1.4	**8.1**	3.0% intensity reduction.	Continued improvement assisted by the ISO programmes.
98.4	49.0	**95.7**		Continuing Operations: Recycling remained positive at 98.4% and only 0.6% of waste sent to landfill.
39,046	1,204	**40,250**		Continuing Operations: Water usage declined 4% or 21% on an annualised basis.
379	0	**272**		Continued improvement assisted by the ISO programmes, reflecting increased focus following the increases seen in FY24.
1.0	2.0	**1.1**	Target zero accidents.	Continuing Operations: Health and safety remains a high priority. There were nine lost time injuries in the Period, the same as reported in the 12 months for FY24. Lost time rates were flat at 1.0 per 200,000 hours whilst severity rates reduced from an average of 45 hours per incident down to 17.
25	25	**25**	Further embed diversity thinking.	Continuing Operations: Dropped from 30% to 25% due to departure of Rachel Pallett.
55	30	**48**		Continuing Operations: Diversity remains a focus, women % remains above 50%.
5.8	2.2	**4.2**		Continuing Operations: Innovation remains key to the group and associated customer base. R&D spend of £5.9m which is 5.8% of sales, a 31.8% increase from FY24 showing the Group's commitment in innovation and new product development.

ESG: Planet

Strix is committed to reducing the consumption of the world's natural resources and supporting a more sustainable future. This is achieved through responsible product design and manufacturing processes that maximise resource efficiency, minimise waste and actively embed circular economy principles throughout the product lifecycle.

Emissions

All of the Group's continuing operations were carbon neutral in the Period. A combination of internal solar generation and certified renewable energy has removed all Strix's Scope 2 emissions. Scope 1 emissions decreased by 5.6% on an annualised basis, 7.6% for continuing operations, assisted by the move to using EVs in China. The remaining hard to abate emissions were offset through certified carbon credits. The extent of the Group's actions to cut its emissions is best highlighted by its market-based emissions, a true reflection of Strix's actual emissions, being 95.0% lower than calculated on the more generic location-based approach.

The Group's Scope 3 is dominated by Category 11 'in-use' emissions relating to the energy required to boil water, accounting for approximately 95.0% of these emissions. Whilst governments have made commitments to decarbonise their grids, progress is mixed. For instance, the UK's reduction of 24.0% since 2020, China 7.2%. In this scenario it is somewhat difficult to grow production and deliveries without Strix's Scope 3 emissions increasing. Nevertheless, the Group continues to work on a range of initiatives, in particular its supply chain as the second largest source and to maintain business travel to minimal levels. With Scope 1 and 2 emissions progress is becoming more difficult to achieve and less impactful, having achieved 95% reduction, reducing Scope 3 is clearly key to the Group's goal to be net zero by 2050 and is driving its transition pathway plans.

Strix again submitted to the Carbon Disclosure Project in the Period and maintained its B rating.

Energy

Energy usage at 15,107MWh was 5.2% lower, 24.1% lower on an annualised basis, reflecting lower volumes, restructuring activities including relocation from IoM to China and elimination of the commissioning impacts associated with the new Chinese facility. On an ongoing basis energy usage at 14,472MWh was 5.5% lower, 24.3% lower on an annualised basis. This is ahead of the Group's annual target of 3% reduction. Energy intensity per £m improved from 110.6 to 102.1, on a continuing operations basis £m intensity improved from 155.1 to 140.6. However, intensity per part produced increased (deteriorated) from 11.9kWh per thousand pieces to 13.4, on a continuing basis this also increased from 11.4 to 12.9, reflecting the lower number of parts produced whilst much of the energy consumption such as heating costs are relatively fixed. A range of projects were enacted in the Period to reduce energy consumption with an expected annual benefit of around 2.0%. Energy usage will continue to be a key focus.

Strix's on-site solar installations generated 1,559MWh of electricity, an 18% increase, but declined 5.4% on an annualised basis. This reflected lower generation at Billi reflecting the relocation to a new facility with no solar generation capacity. Continuing operations generation increased 28% in absolute terms (2.4% on an annualised basis), accounting for 10.9% of electricity consumption up from 8.0%.

Water & waste

Reported water consumption decreased by 23.6% in the Period primarily due to lower production volumes with intensity, arguably a better measure of progress made, improving by 6.1%. None of Strix's facilities are in water distressed regions.

Waste reduces efficiency and brings associated cost. As it strives to do more with less, eliminating waste is a key element of the Strix ethos. Waste reduced in the Period by 28.5% again primarily due to lower volumes, however intensity improved 14.8% highlighting significant underlying progress. Focus remains on recycling which improved in the Period to 95.7% (or 98.4% excluding discontinued operations). Scrap to landfill from continuing operations increased, but at 0.8% of total waste remains tightly under control. Clearly landfill is sub-optimal given the drive towards a circular economy and the increasing cost of such disposal.

Biodiversity

As one of the Isle of Man's leading businesses, Strix recognises its responsibility to support the UNESCO Biosphere Isle of Man and continues to invest in initiatives that enhance biodiversity and benefit the local community. The Group's wilding programme at its HQ continues to develop, with wildflower areas, sunflower planting and beehives supporting local ecosystems and promoting employee wellbeing. During the Period, Strix also undertook a trial lavender planting programme to further enhance pollinator habitats. While germination rates were lower than anticipated, the project provided valuable insights that will support a larger-scale rollout next year.

Additional environmental initiatives include the continued use of a recycled greenhouse for plant propagation, rainwater collection systems to reduce mains water consumption, and dedicated recycling facilities to improve waste segregation and recycling rates. LAICA has also continued to enhance its site environment through improvements supporting health and safety, aesthetics and sustainability.

Beyond its environmental activities, Strix continues to make progress across its wider ESG agenda through community-focused initiatives, including charitable fundraising activities and collaboration with the local Wildlife Trust to support the restoration of native rainforest habitats on the Isle of Man.

Improvement programmes

During the Period, the Group continued to implement a range of operational improvement and lean manufacturing initiatives focused on reducing energy consumption, improving resource efficiency and supporting broader sustainability objectives across its manufacturing facilities.

A number of energy-saving measures were introduced within factory, warehouse and IT operations. These included the installation of water-cooled precision air conditioning systems within IT facilities, replacing conventional cooling equipment, alongside the implementation of automatic temperature controls to optimise energy usage. Segmented lighting controls were also installed across warehouse and production areas, enabling lighting to be used only where required and reducing unnecessary operating hours. In addition, warehouse forklift charging schedules were adjusted to avoid peak electricity tariff periods, improving energy cost efficiency.

The Group also continued to prioritise water conservation and recycling initiatives across several operational processes. Wastewater generated within testing and production environments was captured, treated and reused for secondary applications including toilet flushing, transformer cooling and wider operational recycling systems. Water used within the TT workshop, Billi filter cartridge testing, and Aqua Optima steam engine operations was filtered, cooled and returned for reuse, reducing overall water consumption across the facilities.

Alongside these completed initiatives, the Group progressed a number of lean projects planned for implementation during 2026. These projects include improving refrigeration and cooling system efficiency, increasing the use of ventilation systems in place of air conditioning during winter periods, introducing automated air conditioning controls linked to production line operations and further optimising compressed air usage across manufacturing processes.

Collectively, these initiatives demonstrate the Group's continued focus on operational efficiency, cost discipline, and the responsible management of energy and water resources across its global operations.

ESG: People

Strix's employees and its communities are key to the Group's ecosystem. They are the most important and influential asset deserving full attention and investment in their wellbeing and development.

Health & safety

The safety of Strix's employees remains a top priority. As a manufacturing business, Strix operates within a higher-risk environment. However, as a small parts manufacturer and assembler, it has relatively few high-risk processes. Safety training continues to be a priority, promoting best practices and all facilities are ISO45001 accredited to support the Group's goal of zero accidents or incidents.

In the Period, the Group reported accidents increased from 11 to 12, primarily reflecting the additional three months the Group would normally report on. Strix's lost time injury frequency rate, which measured per 200k hours, was flat at 1.1, whilst the severity rate improved significantly from 38.2 hours per lost time incident, to 15.3.

Staff turnover

Outside of China, the Group's employee base is stable with an average tenure of 11 years. China represents the most significant operational footprint for the Group, employing approximately two-thirds of its total headcount. It is common in China that factory workers move between employers in response to regional labour shortages or return to their home regions for extended periods before seeking re-employment. To support retention and workforce stability, the Group offers a comprehensive range of benefits, including high-quality off-site accommodation, transport to site, staff canteen facilities, annual occupational health checks, medical insurance, and work injury cover. In addition, the Group is committed to providing clear career pathways through training and development, with turnover at supervisory levels and above significantly lower than on the shop floor.

The Group's end customers include several well-known Western brands, which are increasingly attentive to labour practices within their supply chains. As a result, these customers regularly audit the Group's working conditions and operational practices to ensure alignment with their standards. The Group is committed to upholding the principles of the Modern Slavery Act, maintaining robust policies and controls to prevent modern slavery and human trafficking across its operations and supply chain.

Inclusivity & diversity

Reflecting its international footprint, the Group's employment strategy is to 'employ local and think global', supporting local recruitment while fostering a diverse and inclusive workforce. Associates and management are drawn from local talent pools and supported through structured training and career development programmes, enabling progression and long-term retention within the organisation. Diversity and inclusion remain key priorities however the proportion of women in the workforce reduced in the Period to 48%. Representation of women in management decreased from 27% in FY24 to 25% at the end of the Period, while Board composition remained the same at the end of the Period.

Employee engagement & welfare

Strix operates a range of benefits in-line with local practices to ensure best-in-class support for all employees.

The Group is committed to fostering a connected, inclusive and high-performing culture across its international operations and continues to invest in systems that enhance the employee experience. During the Period, Strix has implemented HiBob as its global people platform, providing a consistent yet locally relevant approach to employee engagement across all regions. The platform enables improved communication, streamlined processes and greater transparency throughout the employee lifecycle, from onboarding through to performance and development. It also supports data-driven decision-making through enhanced people analytics, allowing Strix to better understand engagement levels and respond proactively to the needs of its workforce. Together, these initiatives strengthen the Group's ability to attract, retain and develop talent, while supporting the delivery of its long-term strategic objectives.

Internal events and colleague interaction are recognised as important contributors to the health and wellbeing of the Group's employees. Strix's large facilities in China hosted a range of activities throughout the Period to support engagement and foster a positive working environment. In December, office-based employees and their families were invited to attend the annual visit to Tianlu Mountain Resort. This well-established tradition provides an opportunity for colleagues to relax, spend quality time with their families and take a break from day-to-day responsibilities. The event continues to be highly valued, supporting both social connection and mental wellbeing across the workforce.

Social & community interaction

Strix supports a range of community projects through the Period organised by the individual facilities and management teams. These provide benefits not just to the community but also a positive benefit to all volunteers.

Employees at Strix Group plc's Isle of Man sites recently supported a local fundraising initiative through a visit from the Isle of Man Hospice "Care for a Drink" van. The event provided colleagues with an opportunity to come together in an informal setting, enjoying refreshments while supporting an important community organisation. The funds raised were gratefully received and will contribute to the continued delivery of vital services within the local community.

Stakeholder engagement

LAICA's Stakeholder Day 2025 provided an important platform for open dialogue and engagement with a broad range of stakeholders, including partners, institutions, employees, media representatives, and the local community. The event offered an opportunity to outline the division's strategic direction and future ambitions.

During the day, the Group showcased a number of innovations developed to address evolving consumer and environmental needs, including the new bi-flux® healthexpert filter, which is capable of reducing PFAS by up to 92%. In addition, LAICA presented its first Integrated Report, demonstrating a clear commitment to sustainable, long-term value creation aligned with its core values.

The event reinforced LAICA's collaborative and forward-looking approach, highlighting the strength of its stakeholder relationships and its focus on building a sustainable future together.

Young people development

Young talent plays a critical role in providing the engineering expertise and innovation capacity that underpin Strix's continued development and that of the wider industry. Accordingly, the Group is committed to promoting education within the communities in which it operates, supporting the development of future skills and fostering long-term, sustainable growth.

Specifically, LAICA is proud to support the "Ci Sto Affare Fatica 2025" project, an initiative involving seven municipalities in the Berica area of Vicenza, which encourages young people to participate in volunteering and community-focused environmental activities.

This partnership reflects LAICA's commitment to promoting health, wellbeing, and sustainability, with a particular focus on supporting younger generations. By investing in initiatives that engage and empower young people, the Group aims to contribute positively to the communities in which it operates, recognising that fostering these values today is fundamental to building a more sustainable future.

Isle of Man

Strix actively supports a range of organisations and initiatives on the Isle of Man focused on educating and inspiring young people in science and engineering. The Group is a lead member of Awareness of Careers in Engineering, an organisation dedicated to promoting STEM subjects in schools and supporting career development in partnership with the University College of the Isle of Man.

Strix's involvement spans multiple initiatives, from engaging with primary and secondary school students through classroom activities and site visits, to providing guidance on career pathways. The Group also supports opportunities for further development, including facilitating overseas visits to universities and engineering organisations, helping students gain broader exposure to the sector.

China child education sponsorship scheme

Strix's community outreach programme in China continues to support the education of two underprivileged children, providing uniforms, textbooks, and, where required, tuition fees. Both students are progressing well, reflecting the tangible impact of this support.

This long-term initiative aligns with the Group's social objectives, including the belief that knowledge is transformational, and supports UN Sustainable Development Goal 4: ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all. The programme reinforces Strix's commitment to the local community and its strategic aim to be an integral part of China's social and economic fabric.

ESG: Purpose

To be a trusted and forward-thinking business of choice, recognised for delivering long-term social value to all stakeholders and supporting sustainable, responsible growth.

New product development

Investment in innovation remains central to Strix's long-term strategy. Sustainability is embedded across the Group's product development roadmap, driven both by its core ethos and the opportunities presented by shifting, sustainability-focused end markets. Despite ongoing market challenges, R&D investment has been maintained to underpin resilient, future growth.

This commitment extends beyond reported figures, including sustained internal investment in the Z Series. During the Period this control family has been developed further to use even less raw material, achieving the same high-level control function whilst utilising less consumption of natural resources. Collaboration with Western branded partners continues and the Group maintains its development of innovative, resource-efficient, and more sustainable product solutions.

Z series product

The Period also saw the successful launch and commencement of mass production of the new Z series, a smaller footprint three-pole heating control designed to support both traditional kettle applications and emerging water heating categories, including travelling kettles. The product represents an important step forward in the division's product innovation strategy, combining enhanced functionality with improved material efficiency.

The Z series technology is protected by nine control patents and four appliance patents, reinforcing the Group's focus on defending its intellectual property and maintaining technological differentiation within the market. In addition to delivering more accurate switch-off performance and improved energy efficiency, the principal advantage of the new control is its significantly reduced component size, resulting in an average material reduction of approximately 45% compared with the existing U18/P72 model.

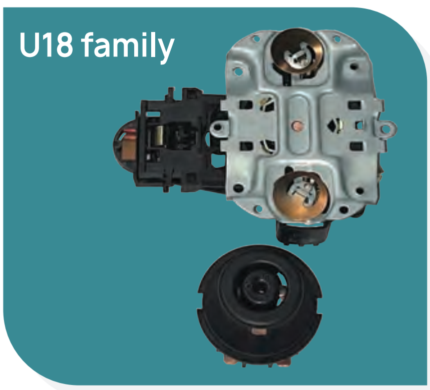
This reduction in material usage not only lowers exposure to volatile commodity prices but also creates opportunities for customers to develop more sustainable products with smaller physical footprints and enhanced energy performance. Multiple variants of the Z series are currently under development, with applications including a 4A travelling kettle and a Turkish coffee machine, further broadening the Group's addressable market opportunities within the Controls division.

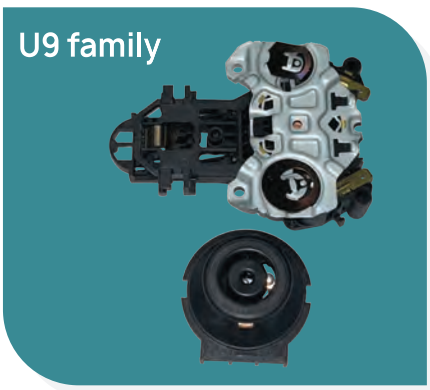
Corporate governance

The Board is committed to robust corporate governance and to maintaining the highest standards of conduct, frequently implementing policies that go beyond the requirements of the AIM market and the Isle of Man, Strix's jurisdiction of domicile. The Group applies the principles of the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), recognising that adherence to the Code underpins the delivery of sustainable shareholder value and supports effective risk management and mitigation. Strix continues to work towards the adoption and compliance of the new IFRS sustainability standards S1/S2. It is expected that these will be implemented in the new financial year ending March 2027, the Group expects to comply with the European CSRD legislation in due course.

AGM

The Board is actively engaged with shareholders to understand concerns and sees average voting levels in favour of the resolutions presented at the Group's AGM at 98.6%.





Governance

Strix's culture is founded on setting the highest standards in all aspects of its operations. The Group considers this essential from both a commercial and ethical perspective and actively promotes these values throughout the organisation. This commitment is supported by a robust framework of policies, including:

- **Anti-bribery and corruption – Zero-tolerance:**

  Strix is committed to conducting business in an ethical and transparent manner. The Group operates a zero-tolerance approach to bribery and corruption, supported by systems and controls designed to prevent, detect, and address any such activity. This policy applies to all employees and associated persons, including third parties, regardless of location.

- **Anti-harassment and bullying – Respectful workplace:**

  Strix is committed to maintaining a safe, inclusive, and respectful working environment. Harassment, bullying, or victimisation of any kind—including on the basis of age, disability, gender reassignment, marital status, pregnancy or maternity, race, religion or belief, sex, or sexual orientation—is not tolerated. The Group enforces a zero-tolerance approach to such behaviours.

- **Anti-slavery and human trafficking – Ethical labour practices:**

  Strix is firmly opposed to all forms of modern slavery, forced labour, and human trafficking. The Group is committed to ensuring that all workers are employed freely and fairly, work in safe conditions, and receive appropriate compensation. Strix does not knowingly engage in, or support, any form of forced or compulsory labour within its operations or supply chain.

  As Strix Group Plc and its subsidiaries do not meet the reporting criteria set out under Section 54 of the UK Modern Slavery Act 2015, the Group is not currently required to publish an annual Modern Slavery Statement. Strix remains committed to maintaining high ethical standards and promoting responsible business practices throughout its operations.

- **Whistleblowing – Speak-up culture:**

  The Group maintains a whistleblowing policy that enables employees to raise concerns confidentially regarding legal breaches, misconduct, health and safety risks, or financial malpractice. Strix is committed to ensuring that all concerns are taken seriously and addressed appropriately.

ISO accreditations

Accreditations are central to Strix's commitment to excellence and continuous improvement. They underpin the Group's ability to support premium brand partners while providing a robust framework for ongoing operational and sustainability performance. The Group is therefore committed to achieving and maintaining accreditation across all sites in key standards, including quality, environmental management, and health and safety.

Strix operations now maintain a full suite of relevant ISO accreditations focused on quality control, environmental management and health and safety standards across the Group's operations. ISO 50001 energy management remains a key area of focus and, during the Period, the Group successfully completed the recertification of its principal manufacturing sites. In addition, Ronaldsway and LAICA commenced pre-certification feasibility studies for ISO 50001 as part of the Group's ongoing commitment to improving energy management, operational efficiency, and sustainability performance.

ISO	9001	14001	45001	50001	13485	17025
	Quality systems	Environmental management	Occupational H&S	Energy management	Medical devices	Test & calibration
Ronaldsway (IOM)	✓	✓	✓			✓
Ramsey (IOM)	✓	✓	✓	✓		
China	✓	✓	✓	✓		
Italy	✓	✓	✓		✓	
Australia (discontinued)	✓	✓	✓			

ESG: Task Force on Climate-related Financial Disclosures ("TCFD")

Introduction and Compliance Statement

Strix's disclosures are aligned with the Task Force on Climate-related Financial Disclosures framework, covering its four core pillars: Governance, Strategy, Risk Management, and Metrics and Targets, as well as the 11 associated recommended disclosures. This includes consideration of Section C of the TCFD Annex, "Guidance for All Sectors". The Group's approach is consistent with the requirements of the UK Listing Rules.

Governance

Board oversight

Climate-related issues are assessed by the Board, with oversight from Non-Executive Director Richard Sells, reflecting the significance the Directors place on the associated risks and opportunities, taking into account the size of the Board and the scale of the Group.

The Board considers sustainability, including climate-related opportunities and risks on a quarterly basis. Exceptional changes to climate-related issues are reported to the Board via the CEO when required. These opportunities and risks are constantly monitored by Matt Thomas. The Board retains ultimate oversight, providing final approval of the Group's sustainability strategy, including climate-related targets and associated investment. The Board is also responsible for setting overall strategy and ensuring that investment decisions, including M&A, are aligned with the Group's sustainability objectives.

Management's role

The Senior Management Team constitutes the primary governance forum for climate-related and broader sustainability matters. It was led by the CEO, Mark Bartlett for the Period, who will be replaced by Andy Rainforth and includes personnel responsible for engineering, commercial, technology, health and safety, human resources, and finance. The Committee is responsible for the oversight, coordination, and implementation of the Group's sustainability strategy, ensuring alignment across functions and the effective management of climate-related risks and opportunities. Matt Thomas, Strix Consumer Goods Engineering and Divisional Operations Director, plays a key role in relation to climate change and sustainability, with responsibility for the collation and analysis of climate-related data. He also has oversight of the Group's ISO programmes, in particular ISO14001 (environmental management) and ISO50001 (energy management), which underpin a wide range of sustainability initiatives and operational improvements. He is supported by both internal teams and external specialists to ensure robust data management, compliance and the effective delivery of the Group's sustainability objectives.

Climate-related opportunities are actively prioritised and embedded within the Group's R&D and new product development roadmap. The Group continually seeks to enhance its innovation pipeline by focusing on sustainability-led themes, supported by rigorous life cycle analysis, carbon accounting, circular economy principles, consumer safety considerations, and evolving regulatory requirements.

Strategy

Climate-related risks and opportunities

In assessing its climate-related risks and opportunities, Strix considers short- (0–2 years), medium- (2–8 years) and long-term (8+ years) time horizons. However, given the inherently long-term nature of environmental impacts, the Group recognises that it is not always practical to segment these risks and opportunities into clearly defined and relatively short timeframes.

Risks

	Category	Risk	Potential impact	Likelihood	Time horizon	Mitigation
Physical risk	**Acute**	Storm and flood disruption, and rising sea levels	The Group has assessed the exposure of its manufacturing facilities and supply chain to physical climate risks. Zengcheng, Guangzhou – home to the Group's principal manufacturing facility, is located inland and therefore has a low historical exposure to typhoon conditions, although extreme wind events were recorded in 2015 and this risk has been incorporated into the Group's assessment. None of the Group's manufacturing sites are located within flood plains or in areas less than 5 metres above sea level.	Low	Medium	A detailed recovery framework is embedded within the Group's Business Continuity Plans, overseen by the Board. It includes procedures for communication, phased recovery, site clean-up, pollution prevention, and restoration, including insurance claims. Restoration procedures incorporate planned maintenance, system back-ups, testing, and access to emergency power. The Group's principal facility in China is strategically located, with enhanced construction supporting operational resilience. All facilities operate under contingency plans, supported by buffer stock to mitigate supply risks. Supply chain resilience is reinforced through regular audits, dual sourcing of key components and an increased focus on local suppliers.
	Chronic	Drought	A lack of available water would impact Strix's facilities and the Group's supply chain. It may be that the Group would have to delay certain projects if there was a shortage of water.	Medium	Medium	Primary use of water is in the Research and Development and Test facilities. Whilst businesses are prioritised at times of water shortages in the Isle of Man, it is unlikely that relevant project delays would have a long-term impact on the Group. Additional water recycling processes and procedures have been put in place to minimise any risk.
	Acute & Chronic	Heat stress	Strix's primary facility is at times exposed to acute temperatures in China. Other key facilities are unlikely to see lengthy periods of extreme heightened temperatures.	Low	Medium	The Group's China facility is fully air conditioned. Air conditioning in the mould-shop, the hottest area of the plant, was upgraded in 2023 to further enhance operating conditions.

ESG: Task Force on Climate-related Financial Disclosures ("TCFD") continued

Risks continued

	Category	Risk	Potential impact	Likelihood	Time horizon	Mitigation
Transition risk	**Policy & Legal**	Carbon price – own operations	Scope 1 and 2 emissions (market based) equated to 381tCO2e in 2026 for continuing operations. As part of Strix's 'carbon neutral' strategy, these are offset through the purchase of certified carbon credits. At the lower end of expectations ($25/ tonne) a cost of $10k rising to $57k at the upper end where credits are predicted to cost $150/tonne. This excludes any Scope 3 offsets. The Group's analysis suggests that to achieve 'carbon neutral' by 2050 it is likely to require the use of offsets for remnant Scope 3 emissions, the level of which is likely to depend on the level of grid decarbonisation, supplier actions and ability of the transportation sector (distribution) to decarbonise.	Medium	Medium	Scope 1 and 2 emissions have been reduced by over 95.0% since Strix's base year. A continuous improvement drive remains in place in an attempt to eliminate the remaining emissions, including additional EVs, more efficient boilers, and improved energy management through ISO50001 adoption. The level of emissions and carbon credits required in 2026 was 381 (305 annualised). The worst case scenario of @$150/ton would be unhelpful rather than significant.
	Policy & Legal	Carbon price – up / downstream	Rising carbon costs may increase input costs as suppliers seek to reduce their own emissions, particularly in harder-to-abate sectors such as transportation (notably shipping and aviation) and primary materials, including metals and plastics used in components.	Medium	Medium	The Group engages with its suppliers to better understand their Scope 3 emissions as they become more cognisant of the emissions landscape, leading them to address their emissions profile. Completely decarbonising the end-to-end supply chain (from mining to processing to manufacturing) is highly complex and may take many years. Key is to ensure that Strix is ahead of its competition, so the Group is not at a competitive disadvantage.
	Market	Robustness of local power grid	Increased electrification could lead to power outages at individual sites.	Low	Medium	The Group's primary manufacturing site in China is connected through modern upgraded infrastructure. The Group has its own solar power generation infrastructure and has established contingency plans including the use of generators.

	Category	Risk	Potential impact	Likelihood	Time horizon	Mitigation
Transition risk	**Market**	Cost of renewable electricity	Cost of renewable electricity could rise depending on the additional capacity installed as demand increases with companies looking to meet their carbon reduction targets.	Medium	Medium/ Long	Strix currently produces just over 10% of its electricity from on-site solar installations. The Group's renewable contracts are typically medium-term (three to five years), providing short-term certainty, with the China manufacturing plant secured by a long-term supply agreement.
	Policy & Legal	Failure to meet / maintain expected ESG credentials	Failure to effectively implement and sustain the Group's ESG strategy may have adverse implications for wider stakeholders and could reduce its appeal to the investor base, including ESG-focused funds.	Medium	Short/ Medium	The Group maintains best-in-class performance, achieving carbon neutral Scope 1 and 2 emissions annually since 2023, supported by a strong reporting framework and clear KPIs. Strix is also expanding automation, which may raise energy use but improves product quality, reduces waste, and lowers scrap rates. Coupled with growing renewable energy use, the Group views this as a net sustainability gain.
	Market	Increased investor scrutiny	Equity investors and other stakeholders have an increased focus on climate change. This is evidenced by the rise in ESG funds and the drive to provide consolidated emissions transparency for individual funds.	Medium	Short/ Medium	Strix's sustainability agenda has accelerated, with clear roadmaps and targets. The Group achieved Scope 1 and 2 carbon neutral operations in 2023 and is developing its Scope 3 supply chain emissions inventory. With "in-use" emissions dominating Scope 3, new products are being designed for improved energy efficiency. By FY27 Strix aims to finalise its net zero pathway for all operations.

ESG: Task Force on Climate-related Financial Disclosures ("TCFD") continued

Opportunities

	Category	Risk	Potential impact	Likelihood	Time horizon	Mitigation
Transition opportunity	**Products & Services**	Internal power generation	Strix has increased its solar power production for internal use.	High	Short	Following investment in solar at the Group's Chinese facility, Strix generates approximately 10.9% of its internal power requirements. Further opportunities, including LAICA, are under consideration.
	Market	Electrification	Cooking methods are increasingly shifting away from carbon-based fuels such as gas towards electricity, this creates the potential for changes in consumer behaviour, including a transition from stove-top kettles to electric kettles.	Medium	Long	As cooking shifts from gas to electricity, consumers are likely to adopt more electric appliances. This could drive increased use of electric kettles over stove-top kettles.
	Products & Services	Adoption of energy saving products	Consumer demand for appliances with lower energy consumption driven by cost and environmental influences.	Medium	Long	Strix is introducing new features and products. In kettles this includes accurate temperature measurement and switch off. In other product ranges this includes one-cup boiling products.
	Market	Higher cost of electricity	The use of renewable energy can carry a cost premium, which may increase the cost of operating a kettle.	Medium	Long	The energy required to boil a kettle is relatively small at c0.25kWh costing around 6p. Over time, this accumulates and supports the Group's strategy to develop a range of features such as preboil switch off, over-fill and one-cup products.
	Market	Population/ urbanisation	Global population is projected to increase by approximately 1 billion under RCP2.6, and by up to 3 billion under RCP8.5. Against a current population of 8.2 billion at the beginning of 2026 (UN), and with an estimated 666–730 million people lacking access to electricity (IEA), this implies potential growth of approximately 12%–37%, albeit equating to less than 1% per annum over the long term.	High	Long	Clearly a benefit to Strix's end markets. Development of new strategy unlikely to be required.
	Products & Services	Increasing importance of Scope 3 emissions	Customers, particularly branded western clients, are increasingly looking to measure and report their Scope 3 emissions. This could increase in importance if Carbon Adjustment Mechanisms are extended to include the Strix product portfolio.	High	Short/ Medium	Strix will work with suppliers to further refine its emissions to assist customers develop their own Scope 3. The Group will also continue to reduce its internal and supply chain emissions to be the preferred partner for potential customers.

Impact on Strix's businesses, strategy, and financial planning

Strix has developed a range of business continuity and contingency plans, including detailed recovery strategies across all manufacturing operations, with a focus on understanding and mitigating both internal operational risks and broader supply chain dependencies.

Strix's kettle controls support one of the most energy-efficient methods of boiling water, positioning the Group well against rising energy prices and the continued shift towards electrification. Product innovation remains focused on reducing energy consumption through technologies such as one-cup boiling solutions and pre-boil cut-off features, while ensuring the water still reaches full boiling point through latent heat.

Similarly, the Group's water filtration products improve drinking water quality while helping to reduce reliance on single-use plastic bottles and associated waste. These trends continue to shape the Group's product development strategy, with research and development investment at £5.9m equating to a record high of 5.8% of sales for continuing operations.

Resilience of Strix's strategy

Strix's current assessment has been based on the Paris Agreement 1.5°C scenario. Management currently sees limited direct risk to the Group's assets but continues to strengthen resilience across its operations, particularly in relation to suppliers and extended global supply chains. From an operational perspective, the Group has developed a range of business continuity and contingency plans, including detailed recovery strategies for all manufacturing operations.

A key consideration within the Group's carbon neutral strategy is securing reliable access to renewable electricity, particularly for its manufacturing operations in China which is fully installed with solar panels which provides approximately 10% of the electricity supply required at the facility. The remaining electricity demand is supported through rolling renewable energy supply contracts.

Risk Management

Identifying and assessing climate-related risks

The Group combines internal expertise with external specialist support to develop a comprehensive understanding of climate-related risks and opportunities. Input is gathered from across the Group's operations, as well as from key external stakeholders, including customers and suppliers. This process will continue to evolve as the Group advances its Scope 3 emissions assessment and progresses its roadmap to net zero.

Climate-related risks are incorporated into the Group's risk management system and are assessed alongside other business risks. Where appropriate, the Group evaluates the potential financial implications of identified risks and the cost and effectiveness of mitigation measures. This approach is demonstrated by the Group's investment in on-site solar generation and renewable power purchase agreements in China. While these initiatives did not represent the lowest-cost option compared with maintaining the status quo, they were selected to enhance the Group's sustainability performance, reduce climate-related risks and support its longer-term strategic objectives.

Managing climate-related risks and opportunities

Climate-related risks are managed in line with the Group's overall risk management framework, taking into account both the likelihood of occurrence and the potential severity of their impact on the business. The transition to a lower-carbon economy is considered highly likely and is already underway, and this is reflected in the Group's accelerated actions to reduce emissions and adapt its operations. Physical climate risks, including weather-related events, have been assessed, with appropriate contingency planning and insurance arrangements implemented to mitigate potential impacts in line with the Group's risk appetite.

Climate-related risks are incorporated into the Group's risk register and are monitored alongside other principal business risks. Climate-related opportunities are assessed using a consistent framework that considers their potential scale, strategic fit and the Group's capability to capitalise on them. A range of internal performance measures and evaluation criteria supports decision-making and helps ensure that the Group is well positioned to benefit from emerging opportunities where appropriate.

Climate-related risk integration

Climate change is now an established reality and is recognised by Strix as part of the normal operating environment in which the Group conducts its business. Although the challenges associated with climate change are complex, Strix's relatively small size, flat organisational structure and short lines of communication enable the Group to respond efficiently and integrate climate-related considerations into decision-making. Reflecting the increasing importance of climate-related risks and opportunities, the Group has significantly strengthened its focus in recent years. Climate considerations are now embedded within the Group's business planning, risk management and strategic decision-making processes.

Metrics and Targets

The key metrics used by the Group to assess climate-related risks and opportunities – alongside associated targets – are disclosed on pages 34 to 35. Performance against the targets is disclosed and discussed on pages 34 to 40. Further metrics, including scope 1, 2 and 3, can be found overleaf. As the environmental metrics for continuing and discontinued operations are calculated using different underlying data and revenue bases, the individual figures may not add up to the Total.

ESG: Task Force on Climate-related Financial Disclosures ("TCFD") continued

Metrics and Targets continued

Environmental		FY23			FY24			PE26		
		Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Emissions										
Location based										
Scope 1	tCO_2e	378	104	482	330	109	439	381	137	518
Scope 2	tCO_2e	7,559	43	7,602	8,234	47	8,281	7,334	47	7,381
Scope 1 & 2 (location based)	tCO_2e	7,937	147	8,084	8,564	156	8,720	7,715	184	7,899
Scope 1 & 2 intensity	tCO_2e/£m	76.8	3.6	56.7	86.7	1.3	61.2	75.0	1.4	53.4
Market based										
Scope 1	tCO_2e	378	104	482	330	109	439	381	137	518
Scope 2	tCO_2e	0	103	103	0	107	107	0	83	83
Total Scope 1 & 2	tCO_2e	378	207	585	330	216	546	381	220	601
Scope 1 & 2 intensity	tCO_2e/£m	3.7	5.0	4.1	3.3	4.8	3.8	3.7	4.9	4.1
Scope 3[1]	tCO_2e	401,279		478,090	481,776		563,638	857,325	857,331	939,397
Total group emissions	tCO_2e	410,053	570	487,405	491,090	594	573,514	865,881	857,961	948,555
Scope 1 breakdown of emissions										
CO_2	tCO_2e	377	103	480	329	108	438	381	135	515
CH_4	tCO_2e	0.4	0.0	0.4	0.4	0.0	0.4	0.4	0.0	0.4
N_2O	tCO_2e	0.7	1.0	1.7	0.6	1.0	1.6	0.7	1.3	2.0
Scope 1 & 2 emissions UK	tCO_2e	112	0	112	84	0	84	100	0	100
Scope 1 & 2 emissions UK/Group	%	1.4	0.0	1.4	1.0	0.0	1.0	1.3	0.0	1.3
Energy usage										
Electricity purchased	MWh	12,010	131	12,141	13,155	139	13,294	12,016	106	12,122
Renewable electricity generated	MWh	1,126	165	1,291	1,144	174	1,318	1,465	94	1,559
Other	MWh	1,158	293	1,451	1,008	310	1,318	991	435	1,425
Energy usage	MWh	14,294	589	14,883	15,307	623	15,930	14,472	635	15,107
Energy intensity	MWh/£m	138.4	14.3	103.0	155.1	13.7	110.6	140.6	14.1	102.1
Energy intensity	KWh/unit of production (k)	12.4	52.6	12.9	11.4	43.2	11.9	12.9	43.8	13.4
Proportion of electricity generated in-house	%	8.6	75.0	9.6	8.0	74.0	9.0	10.9	61.1	11.4
Energy UK	MWh	1,336	-	1,336	1,021	-	1,021	1,076	-	1,076
Energy UK/Group	%	9.3	-	9.0	6.7	-	6.4	7.4	-	7.1

Environmental cont.d		FY23			FY24			PE26		
		Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
Waste & recycling										
Hazardous	tonnes	0	0	0	0	0	0	0	0	0
Chemical	tonnes	45	0	45	32	0	32	36	0	36
Normal (metal, plastic cardboard)	tonnes	1,246	49	1,294	1,300	49	1,350	1,105	64	1,170
Total waste	tonnes	1,290	49	1,339	1,332	49	1,382	1,142	64	1,206
Intensity	t/£m	12.5	1.2	9.3	13.5	1.1	9.6	11.1	1.4	8.1
Intensity	Kg/units of production (k)	1.10	4.40	1.16	1.00	3.40	1.00	1.00	4.40	1.10
Recycled waste	tonnes	1,241	37	1,278	1,309	34	1,343	1,123	32	1,155
Recycled	%	96.2	77.0	95.4	98.3	69.0	97.2	98.4	49.0	95.7
Waste to landfill	tonnes	28.7	11.0	40.0	4.7	15.0	20.0	7.3	33.0	40.0
Water										
Consumption	m^3	30,904	876	31,780	40,621	1,209	41,830	39,046	1,204	40,250
Intensity	m^3/£m	299	6	220	411	8	290	379	0	272
Social										
Health & safety										
Number of lost time accidents	0	14	0	14	9	2	11	9	3	12
Lost time injury frequency rate	per 200,000 hours	1.8	0.0	1.5	1.0	1.4	1.1	1.0	2.0	1.1
3 Year rolling average lost time injury frequency rate	per 200,000 hours	1.2	0.0	1.1	1.2	0.0	1.2	1.1	0.0	1.2
Severity rate	Hours lost/ accident	120	0	120	45	8	38	17	10	15
Number of fatalities		0	0	0	0	0	0	0	0	0
Diversity										
Women on the Board	%	20	0	20	20	0	20	20	0	20
Women in senior management roles	%	25	7	27	30	11	27	25	25	25
Women in the organisation	%	50	49	51	60	27	59	55	30	48
Research & development										
R&D spend	£k	4,419	87	4,484	4,344	224	4,431	5,920	1,014	6,144
R&D/Sales	%	4.3	0.2	3.1	4.4	0.5	3.0	5.8	2.2	4.2
Governance										
AGM										
All resolutions (% votes for)	%	96.8	N/A	96.8	91.7	N/A	91.7	98.6	N/A	98.6

[1] Scope 3 has increased as it is based on a conversion factor provided by external bodies, it is mainly driven by individual governments and the progress they have made to de-carbonising their power grids. It is also proportionate to our volumes which have increased year on year.

Engaging With Our Stakeholders

Strix's business model is built on understanding and responding to the needs of all its stakeholders through ongoing, proactive engagement. The Group carefully considers the impacts of its business decisions on stakeholders, seeking to address any concerns and foster constructive dialogue. By nurturing these relationships, Strix aims to support the long-term success, resilience and sustainable growth of the Group.

Strix considers that the following seven key stakeholder groups influence its strategy:

Stakeholders	Risk	Areas of focus
Investors	As the ultimate owners of the business, Strix actively engages with its investors to provide transparency on its business model, strategy, and performance. At the same time, the Group seeks to understand their priorities and expectations, ensuring that its decisions and initiatives are aligned to deliver sustainable value for their investment.	• Accelerated debt reduction programme and strengthening the Balance Sheet. • Managing trading performance in challenging markets. • Market share and leadership. • Restructuring and operational optimisation. • Value creation and returns on investments.
Employees	With c.750 employees across nine locations worldwide, Strix's success is underpinned by the strength, expertise, and commitment of its workforce. Strix recognises that attracting, developing, and retaining talent is critical to achieving its long-term strategic objectives and sustaining the ongoing growth and success of the business.	• Health, safety, and wellbeing. • Training and development. • Reward and recognition. • Career progression. • Culture, diversity, and community.
Customers	The value of the business is created based on giving our customers ready access to innovative thermal management and water filtration technologies, alongside appliance design, manufacturing and sourcing excellence.	• Safety and sustainability. • Innovation and efficiency. • Quality and reliability. • Supply chain management. • Cost effectiveness.
Suppliers	Strix works closely with its suppliers to build strong, long-term relationships that deliver mutual value. By forming strategic partnerships, the Group enhances the overall strength and resilience of its business, better meeting customer needs while supporting its sustainability objectives.	• Long-term relationships and supply chain security. • Pricing and related terms of supply. • Quality and audit standards, and related requirements. • Compliance to relevant global approvals and standards. • Governance and corporate responsibility.
Regulatory Bodies	Strix maintains open, transparent, and constructive relationships with relevant regulatory bodies across the jurisdictions in which it operates. By engaging proactively and working collaboratively, the Group ensures compliance with evolving regulatory requirements while contributing to the development of robust and effective industry standards.	• Regulatory compliance and adherence to applicable laws. • Product safety, certification, and market approvals. • Quality, environmental and health and safety standards, and related requirements. • Transparency, reporting, and regulatory engagement. • Governance, ethics, and corporate responsibility.
Communities	Strix is in a strong position to give back and acknowledge its responsibility to the communities in which it operates. Strix aims to strengthen its position as a global, socially responsible employer, whilst reinforcing its corporate culture and employee pride in its positive contribution to all of its local communities across the Group.	• Job creation, including young people development and apprenticeships. • Charitable funding. • Public health and safety. • Education. • Preservation and restoration of the environment.
The Environment	Human impacts on the environment are increasingly recognised as harmful to the long-term sustainability of society and the planet. Not only is managing the environmental impact the right thing to do, but delivering environmentally friendly products is key to Strix's growth strategy.	• Reduced carbon footprint. • Charitable funding. • Preservation of the planet.

How we engage	
• Annual General Meetings. • Capital Markets Days. • Investor roadshows and presentations. • Direct meetings with institutional investors. • Non-restricted research for retail investors is provided through Equity Development.	• Written communications, including Annual Reports and results releases. • Independent investor feedback reviews. • Individual shareholders are encouraged to contact Directors on all matters relating to governance and strategy via the Group Secretary or representative.
• Launch of HiBob, a global HR and Communications platform. HiBob sits alongside a variety of other channels including internal meetings, video and call conferencing, email and written communication. • Quarterly newsletters including business updates, social events and employee interests and profiles. • Periodic employee surveys and annual reviews as a feedback platform.	• Employee assistance programme, including counselling, to assist on issues impacting wellbeing and performance. • Encouraging employee participation through activities such as the 'Lean Initiative' scheme. • Internal training and certification including relevant ISOs.
• Continual dialogue to understand their challenges supported by close research and development alignment. • Maintaining close relationships via regional sales and commercial teams. • Involving customers in product design and testing, knowledge sharing and understanding of products for faster product releases in line with market needs.	• Regular participation in self-organised seminars and exhibitions. • Effective order and supply chain process, simplifying order execution and product delivery.
• Selection against multifaceted scorecard. • Bi-annual audits against Strix's responsible supplier policies. • Continual communications on our Supplier Code of Business Conduct.	• Discussion on mutual working, including understanding of their operations to improve awareness on sustainability requirements in line with the Responsible Business Alliance. • Internal risk assessments on policy awareness, quality, capacity and performance.
• Regular regulatory audits and inspections. • Ongoing communication and engagement with relevant regulatory authorities. • Proactive monitoring and implementation of evolving regulatory requirements across all jurisdictions.	• High standards of compliance maintained through continuous internal reviews, controls and external assessments against applicable regulations. • Internal risk assessments and compliance reviews covering legal, regulatory, and governance requirements.
• Communication of Strix's sustainability strategy via the Group's Annual Report and presentations. • Sponsorship of, and participation in annual graduate intern and youth development programmes, including Junior Achievement programmes to enhance training and development for children, young people, and graduates. • Participation and membership in local business networks, including Chamber of Commerce committees and STEM (science, technology, engineering, mathematics) groups.	• Continued volunteering, support and fundraising activities for various charities involved with, amongst others: mental health, social welfare, humanitarian aid for children, cancer support groups, and various disability groups. • Sponsorship of community based organisations, for example Powerlifting Isle of Man. • Awards earned from the various contributions made to our various stakeholders and society.
• Communication of Strix's sustainability strategy via the Group's Annual Report. • Participation in local community projects focused on preservation of nature and the environment, including voluntary work with local charities. • Various initiatives to raise awareness of environmental preservation. • Alignment with the UN's Sustainable Development Goals.	• Continued research and development of energy efficient products to reduce wasted energy. • Investment into plastic waste reducing products to reduce and eliminate the need for single-use bottles. • Ensuring availability of safe water and sanitation for all through the development of the filtration products to enhance water quality, removing lead, bacteria, and viruses.

Risk Management Approach

Responsibility for identifying, assessing, mitigating and managing business and operational risk across the Group lies with the Strix Board.

Effective risk management is central to Strix's strategy and embedded within the Group's day-to-day operations. This enables Strix to identify opportunities from a position of strength, supporting sustainable long-term growth. Risk management remains critical to the successful delivery of the Group's strategic objectives and is fundamental to the way the business operates.

Strix manages risk at both Group and divisional levels, enabling the Board and senior leadership team to identify, assess and respond to risks and opportunities relevant to individual business units as well as the wider Group. By fostering a strong risk-aware culture, Strix supports informed decision-making and enhances its ability to deliver sustainable growth while creating long-term value for stakeholders.

Risk assessment

The Board recognises that the Group is exposed to a range of risks and uncertainties that could have a material impact on its operations, financial performance and strategic objectives. Where risks cannot be fully eliminated, the Group develops appropriate mitigation and response plans to reduce their potential impact should they materialise, including established contingency measures such as the Business Continuity Plan. The Board determines and approves the Group's risk appetite and oversees its implementation by senior management.

The risks outlined in this section do not represent an exhaustive list of all risks faced by the Group. Rather, they highlight those considered most significant to the achievement of the Group's strategic objectives and long-term success. As Strix operates in a dynamic and evolving environment, new risks may emerge, while the likelihood and potential impact of existing risks may change over time. The Group therefore maintains an ongoing process for identifying, assessing, and monitoring risks to ensure that its risk management framework remains effective and responsive. Details of the key mitigation measures in place for each principal risk are provided in the following pages.

Strix categorises its risks in the following areas:

- Strategic
- Financial
- Operational
- Reputational
- Compliance

The principal risks are assessed on a residual basis, reflecting the Board's current view of their potential severity after taking into account the effectiveness of existing controls and mitigation measures. Severity is determined by considering both the likelihood of the risk occurring and the potential impact should it materialise.

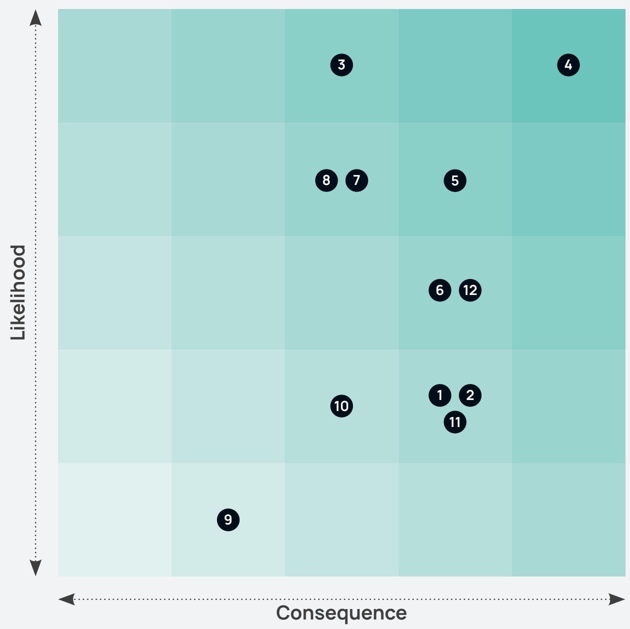
Ongoing monitoring

Identified risks included within the Risk Register at both Group and divisional level, are reviewed periodically by the senior management team, and at least annually by the Board. The review includes an assessment of each risk to address any changes in circumstance, a re-appraisal of the residual risk, and the effectiveness of mitigating actions taken to date, and whether any additional controls are required. New risks are added to the Register on identification, via a number of processes which seek to capture risks not already included.

Risk appetite

To strengthen Strix's competitive advantage and culture of innovation, the Board recognises that employees are encouraged to take considered risks that drive innovation and support the growth potential. Strix categorises its appetite to risk by the following categories:

- Tolerate (work with it).
- Treat (mitigate and manage).
- Terminate (eliminate the risk e.g. by selling the asset, closing the service).
- Transfer (e.g. buy insurance).



Risk Heat Map

The risks identified in the heat map highlight the risks which would have the greatest impact on Strix's operations and viability. Principal risks are highlighted in bold, whilst less critical risks are highlighted in italics.

1 **Reliance on key customers**
2 **Reliance on key suppliers**
3 **Competitors and market pressures**
4 **Raw material and commodity prices and general cost inflation**
5 *External factors*
6 **Foreign exchange risk**
7 **Loss of key personnel**
8 *Disruption to supply chain*
9 *Manufacturing facilities*
10 *Reputational risks*
11 **Intellectual property**
12 **Cybersecurity**

Movement key:
Increase Decrease No change

Risk	Impact	Mitigation	Status
Strategic risks			
1. Reliance on key customers	The Group has a number of key customer relationships, including some of the largest OEMs in the global market. The top 10 customers contributed c.47% of the Group's adjusted revenues in the Period ended 31 March 2026 (2024: c. 45%), with the largest customer making up c.11% (2024: c.12%) of the Group's adjusted revenues. The loss of any of these key customer relationships would have a negative impact on the Group's business, financial position and results of operations.	• The Group regularly reviews and manages key customer credit exposures. • Strix remains fully integrated in the entire value chain for key products and providing a number of value added services to customers to protect these key customer relationships. • Regular dialogue with key customers is maintained to strengthen and guide relationships.	Movement: No change Appetite: **Tolerate**
2. Reliance on key suppliers	The Group relies upon certain key suppliers, although dual source arrangements are in place across the supplier base. As a result, if alternative supply sources could not fulfil the required demand, the Group would be exposed to a number of risks, including the risk of supply disruption, the risk of key suppliers increasing prices, and the risk of a key supplier suffering a quality issue which impacts upon the quality of the Group's products. All of these risks, which apply across the marketplace, could have a negative impact on the Group's business and, if required, the engagement of alternative suppliers may increase the Group's cost base.	• The Group adopts dual sourcing where appropriate to reduce dependence on single suppliers. • The financial and operational viability of key suppliers is monitored. • Inventory levels are constantly monitored, to ensure availability in times of production volatility.	Movement: No change Appetite: **Tolerate**
3. Competitors and market pressures	The Group operates in a number of different markets, some of which are more competitive and price sensitive. More recently sustained challenging macro conditions have increased competitor pressures across all Controls markets as lower-cost Chinese manufacturers have looked to disrupt markets. Any significant and extended shift in market pricing that the Group is not able to mitigate by reducing costs, driving volume growth or investing in appropriate technological innovation, would see the Group's revenues and profitability negatively affected.	• Strix constantly monitors its competitors and market trends to understand the dynamic forces which shape the Group's competitive landscape. • Strix uses automated production where possible to mitigate the risk of labour cost inflation and reduce the costs of production, particularly in China where the majority of its manufacturing employees are located. • Strix is active in a wide variety of markets across the world which provides some protection from targeted competitive activity in specific markets. • Strix carefully manages its variable and fixed cost base via an embedded programme of continuous improvement including lean manufacturing initiatives and wider cost control management. • Strong customer relationship management and a targeted investment in engineering and technological innovation, e.g. Next Generation/Low-Cost maintains the Group's wider relevance to the market, to add value beyond lowest price.	Movement: Increase Appetite: **Treat**

Risk Management Approach continued

Movement key:

Increase · Decrease · No change

Risk	Impact	Mitigation	Status
Financial risks			
4. **Raw materials, commodity prices and general cost inflation**	Strix is exposed to fluctuations in the prices of some raw materials, in particular copper and silver. This volatility has been ongoing and is seen across all major global supply chains in industries due to a number of macroeconomic and geopolitical reasons. The Board monitors commodity and raw material prices and have put in place appropriate steps to mitigate the impact of this. However, a significant change in the cost of certain raw materials, particularly silver and copper, if sustained for a prolonged period may increase the Group's material costs without necessarily allowing a corresponding increase in the sales price of its products, which could affect the Group's margins and ultimate profitability. Any change in the costs of operating the Group could impact the Group's profitability. Such cost increases could be incurred from increments in supplier costs (including, amongst other things, raw materials and energy costs, particularly electricity costs), employment costs or wage inflation, or increases in costs to be incurred due to regulatory change.	• Strix has the ability to undertake a price increase or put in place surcharges, if the inflation of underlying costs is prolonged and significant. • Strix sources raw materials from a number of suppliers, predominantly in China. This flexibility allows the Group to maintain a degree of negotiation power with suppliers and ensures market competitive sourcing with local chinese competitors. • Short term commodity pricing volatility is largely managed via forward ordering and forward committing to raw materials. • Strix has integrated automation to mitigate the risk of labour cost inflation and reduce the costs of production wherever possible. • Wider lean initiatives and cost optimisation programmes help to ensure non-commodity cost increases are appropriately managed and mitigated.	Movement: Increase Appetite: **Treat**
5. **External factors**	Strix continues to monitor the ever-changing political landscape with particular focus on the ongoing conflicts in Ukraine and the Middle East, and the impacts of US trade tariffs. Economic slowdowns in key end markets can also affect performance, for instance, Germany and the UK. Due to the large degree of uncertainty and volatility in macroeconomic and geopolitical landscapes, the Group is actively monitoring these situations and continues to review the Group's risks.	• Strix actively monitors ongoing conflicts and takes action to limit exposure where necessary. • The Group maintains operations in multiple locations, providing operational flexibility where required. • Strix maintains stock levels to mitigate the risk of increased raw material and customer shipment as appropriate.	Movement: Increase Appetite: **Tolerate**
6. **Foreign exchange risk**	The Group's exposure to currency fluctuations inherently exists due to trading in foreign currency across multiple jurisdictions, and also due to the consolidation of foreign subsidiaries into the Group. The Group's payments and receipts are predominantly in Pound Sterling ("GBP"), US Dollar ("USD"), Chinese Yuan ("CNY"), and Euro ("EUR"). Changes in the rates of foreign exchange against GBP, the Group's presentation currency, could adversely impact margins earned.	• The Group maintains a degree of operational hedging by ensuring that revenue streams are currency matched to underlying cost inputs where possible, eg US$. • Surplus cash is routinely remitted to the Group and held in GBP. • Strix further manages balance sheet risk by ensuring that any cash held in non-local functional currencies is kept to a minimum at all locations. • Strix reports its results at Constant Exchange Rate (CER) to allow stakeholders to more easily understand underlying trading performance. • The Group is in the process of reviewing its Treasury Management policies, with a view to implementing additional FX risk mitigation actions, including utilisation of financial derivatives.	Movement: No change Appetite: **Tolerate**

Movement key:
Increase · Decrease · No change

Risk	Impact	Mitigation	Status
Operational risks			
7. Loss of key personnel	Not having the right talent and diversity at all levels of the organisation to deliver Strix's strategy whilst promoting the Group's culture, resulting in reduced financial performance or reputational damage. Strix recognises that at a time of greater internal change and external challenge, this risk is heightened.	• Skills and succession planning analysis performed to identify gaps and specific areas for focus. • Structured recruitment and induction policies enable appropriate hiring and on-boarding processes. • Comprehensive review of remuneration structures, including matching remuneration levels with industry standards, reviews of reward payment structures (including bonuses and Long-Term Incentive Plans). • Annual performance evaluation programme to support ongoing development opportunities within the Group. • Implementation of HiBob, provides employees with an easy one-stop place to access information, training, performance management and support. • An "open door policy" allowing access between staff and senior management. • Regular internal communications calendar and employee engagement via surveys.	Movement: Increase Appetite: **Treat**
8. Disruption to supply chain	Major global supply chain disruptions due to ongoing global events directly affect the Group, previously experienced in the form of disruptions to normal operations, and increased carriage, freight, shipping and transportation costs. The Group's operations facilitate the transfer and movement of commodities and goods across multiple jurisdictions, internally amongst the Group's various production and distribution sites, and externally to and from customers and suppliers. Therefore, an inherent risk to the Group supply chain still exists in the form of disruptions to operations from shortages of supplies, delays in deliveries and increased costs of carriage and freight, all of which can directly impact the Group's underlying margins, profitability and performance.	• The Group monitors global supply chain trends and freight costs in order to reasonably anticipate and mitigate potential problems. • Where required, Strix holds stock in different locations in order to minimise disruption. • The Group procures commodities on a forward basis and operates a raw material purchasing policy to minimise any disruption in the supply chain. • Price increases are implemented where required to minimise the impact of any cost inflations.	Movement: No change Appetite: **Tolerate**
9. Manufacturing facilities	The Group has manufacturing facilities in China, Italy and the Isle of Man. If for any reason, the operations at a site become disrupted for whatever reason (or reasons), and/ or the Group is unable to find suitable alternative manufacturing sites, the Group's ability to meet the demands of its customers could be affected.	• The Group keeps an updated Disaster Recovery Plan for all of its operating facilities. • Preventative measures are in place at all operational sites, including fire suppression and prevention systems, health and safety training, implementation of alternative energy sources.	Movement: No change Appetite: **Tolerate**

Risk Management Approach continued

Movement key:
Increase   Decrease   No change

Risk	Impact	Mitigation	Status
Reputational risks			
10. Reputational risk	The Group's reputation for and delivery of products of high- standards of quality and safety is key to a number of direct and indirect customers in choosing Strix products. Should Strix suffer product quality or safety issues, leading to a negative impact on its reputation with customers, future performance could be significantly impaired.	• Engagement with external certification bodies in order to ensure products meet the requirements of key standard setting bodies. • Have robust engineering design and validation processes. • Operate high levels of quality assurance.	Movement: No change Appetite: **Tolerate**
Compliance risks			
11. Intellectual property	The Group relies on a combination of patents, design registrations, trademarks, trade secrets, copyright and other contractual agreements and technical measures to protect its proprietary intellectual property rights. The Group's success will in part depend on its ability to establish, protect and enforce proprietary rights relating to the development, manufacture, use or sale of its existing and proposed products.	• The Group actively monitors third party new products introduced in markets where Intellectual Property protection is in place. • Strix vigorously defends its key Intellectual Property.	Movement: No change Appetite: **Tolerate**
12. Cybersecurity	Cybersecurity risks include risks from malware and ransomware attacks by third parties attempting to gain unauthorised access to Strix's systems. The Group's operations are heavily reliant on its IT infrastructure. Therefore, any unauthorised access could result in disruptions to operations, loss of data, breach of privacy, and loss of assets and funds.	• Ongoing investment into infrastructure, including office and network environments across all sites, including enhanced use of cloud-based systems over on premise servers. • In-house security function including vulnerability testing, threat monitoring and incident response, supported by external specialists where required. • Cybersecurity training to all employees, including Board Directors & Executive Management Team. • Cybersecurity insurance currently under consideration to further supplement internal mitigation activities.	Movement: Increase Appetite: **Treat**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Board of Directors

Gary Lamb
Chairman

Appointed: 2017

Committees: (A) (N) (R) Chairman: (N)

Gary is a qualified accountant (CIMA) who has gained extensive business experience over the past 35 years in numerous senior roles. Gary is currently CEO of Manx Telecom. Prior to joining Manx Telecom, Gary was a founder director of Bladon Jets Limited, and a Non-Executive Director until July 2017. For 11 years, prior to Bladon Jets, Gary was the Finance and IT Director of Strix Limited, leaving in 2007.

Andy Rainforth
Chief Executive Officer

Appointed: 2026

Andy has more than 30 years of international leadership experience across manufacturing, technology, hardware and SaaS businesses. He has a strong track record of driving growth, operational improvement and value creation across complex global organisations.

Prior to joining Strix, Andy was Group Chief Commercial Officer at A-SAFE Ltd and previously served as Managing Director and Group Commercial Lead at Grosvenor Technology / Newmark Security Plc. Earlier in his career, he held senior leadership roles with Honeywell Security Group and founded SecurePro Ltd.

Andy joined Strix as CEO on 13 July 2026 and will be appointed to the Board effective 5 August 2026.

Clare Foster
Chief Financial Officer

Appointed: 2024

Clare is an experienced Chief Financial Officer with an extensive skills base gained over 25 years working in and advising international businesses. Prior to joining Strix, Clare spent seven years as Group CFO at Trifast Plc, a global leader in the design, manufacture and distribution of industrial fastenings. Clare qualified as a Chartered Accountant with KPMG where she worked for 16 years.

Mark Kirkland
Non-Executive Director

Appointed: 2017

Committees: (A) (N) (R) Chairman: (A)

Mark has extensive corporate experience gained over the last 30 years having held numerous senior roles in public and private companies. He qualified as a Chartered Accountant with PricewaterhouseCoopers in London and his initial career was in corporate finance, predominantly spent at UBS Limited. He has been CFO of numerous public companies and latterly was CEO of Delin Property until 2022. Mark is currently a Non-Executive Director of AEW UK REIT Plc.

Richard Sells
Non-Executive Director

Appointed: 2020

Committees: (A) (N) (R) Chairman: (R)

Richard is an experienced company director and advisor with over 30 years' experience working across multinational corporations, public companies, entrepreneur-led SME enterprises, and private-equity backed businesses. He previously served as Chairman of the Association of Manufacturers of Domestic Appliances and was on the Board of London listed Alba Plc. Additionally, he has worked with a number of entrepreneur-led private companies and served as a deal advisor for a large private equity firm. Richard leads the Board's efforts in overseeing the Group's ESG policies and procedures and monitors Strix's progress against stated goals.

Note: (A) Audit Committee (N) Nomination Committee (R) Remuneration Committee

Executive Management Team

Emma Cox
Group Human Resources Director

Joined: 2020

Emma drives the Group's human capital strategy, focusing mainly on attraction, recruitment, retention, and development of talented people across the organisation.

Riccardo Dolcetta
Consumer Goods Managing Director

Joined: 2021

Riccardo manages the Consumer Goods division with overall leadership over the division's operations and strategic direction. He has responsibility for the commercial, research and development, manufacturing, and engineering operations.

Frank Gao
Controls Managing Director and Chief Operating Officer

Joined: 2012

Frank manages the Controls division providing strategic, commercial and operations leadership. Frank also directs and leads the operations team that spans Strix's Guangzhou and Ramsey facilities, and oversees the Group's overall R&D, manufacturing, supply chain and technology footprint.

Senior Management Team

Dan Griggs
Group Finance Director

Joined: 2024

Dan leads Strix's finance function across the Group and oversees financial strategy, governance, and reporting, ensuring robust financial controls and supporting the business in delivering its long-term strategic objectives.

Nick Gibbs
Group Engineering & Western Operations Director

Joined: 1992

Nick has functional responsibility for engineering throughout the Strix Group of companies.

Matt Thomas
Consumer Goods Engineering & Divisional Operations Director

Joined: 2003

Matt is predominately based in our Guangzhou location where he leads the Consumer Goods engineering teams and global manufacturing engineering teams, implementing innovative methods of manufacturing and new product development.

David Trustrum
Western Supply Chain & Commercial Operations Director

Joined: 1991

David directs the commercial operations department, optimising commercial activities through intellectual property rights and product safety, intelligence, and pricing management.

Nicolò Zanuso
Consumer Goods Finance Director

Joined: 2021

Nicolò ensures appropriate financial asset controls are in place, along with information and business processes, whilst ensuring compliance with relevant accounting standards and legislation for the Consumer Goods division.

Board Activities

The Board is committed to effective corporate governance as the basis for delivering long-term value growth and meeting shareholder expectations for proper leadership and oversight of the business.

Audit Committee

Chaired by Mark Kirkland

The Audit Committee report which lays out the duties and responsibilities of the Audit Committee can be found on pages 66 to 67.

Nomination Committee

Chaired by Gary Lamb

The Nomination Committee is responsible for leading the process for all potential appointments to the Board and making recommendations to the Board accordingly. The Nomination Committee report can be read on pages 68 to 69.

Remuneration Committee

Chaired by Richard Sells

The Remuneration Committee reviews the Group's remuneration policy for the Executive Directors and senior management on an annual basis to ensure continued alignment with the principles set out within the Directors' Remuneration Report on pages 70 to 77.

Board roles

During the Period, Strix's Board was made up of three Non-Executive Directors, including the Chairman, and three Executive Directors, the CEO, the CFO, and the CCO. At the date of signing of the financial statements, the number of Executive Directors reduced to one following the resignation of Rachel Pallett, CCO on 16 February 2026, and Mark Bartlett, CEO on 29 May 2026. Board members are appointed based on their diverse experience across a range of industries and backgrounds, aligned with promoting the Group's long-term sustainable success.

The Board has determined that all its Non-Executive members are independent.

The Board conducts an appraisal evaluation of its own performance whereby each Director will complete questionnaires which are reviewed and feedback discussed on an annual basis.

Our Chairman

- Led the process to recruit and appoint a new Group CEO.
- Chairs Board meetings, Nomination Committee meetings, Annual General Meeting, General Meetings as required and sets the Board agenda.
- Ensures there is effective communication between the Board, management, shareholders, and the Group's wider stakeholders, while promoting a culture of openness and constructive debate.
- Ensures Directors receive accurate, timely, and clear information.
- Oversees the annual Board evaluation and addresses any subsequent actions.
- Promotes the highest standards of corporate governance.
- Ensures the views of stakeholders are taken into account when making decisions.

Our Non-Executive Directors

- Chair Remuneration and Audit Committee meetings.
- Provide effective and constructive challenge for the CEO and CFO and scrutinise the performance of management.
- Assist in the development and approval of the Group's strategy.
- Review Group financial information and ensure there are effective systems of governance, risk management, and internal controls in place.
- Ensure there is regular, open, and constructive dialogue with shareholders.

Our CEO

- Day-to-day management of the Group.
- Responsible for commercial, operational, risk, and strategy of the Group.
- Develop and implement strategic direction.
- Ensures effective communication and information to the Board and Chairman.
- Represents the Group to external stakeholders.

Our CFO

- Provides strategic financial leadership to the Group.
- Operates as a financial business partner in all major strategic, commercial, and investment decisions.
- Responsible for maintaining and developing the Group's liquidity, its financing facilities, and wider banking relationships.
- Day-to-day management of the finance function.
- Represents the Group in financial communications with external stakeholders.

Chairman's Introduction to Governance

Dear Shareholder,

I am pleased to present our Corporate Governance Report on behalf of the Board for the 15-month period ended 31 March 2026. Upholding strong governance standards continues to be a central priority for the Board, ensuring that Strix operates consistently in line with best practice at all times.

Further detail on the Group's governance framework and arrangements can be found in the Corporate Governance section of this report on pages 62 to 63.

During the Period, the Non-Executive Directors have devoted considerable time and attention to the business, and I would like to thank them for their dedication. They have delivered effective oversight through constructive challenge, strategic input, and specialist expertise, while holding management appropriately accountable. I am confident that the Board and its Committees maintain a well-balanced mix of skills, experience, and knowledge, enabling them to discharge their duties effectively on behalf of shareholders and wider stakeholders.

The Board has three Committees to advise it:

- The Audit Committee, which oversees the integrity of financial reporting and the effectiveness of internal controls.
- The Remuneration Committee, which sets and reviews the remuneration framework and policies for Executive Directors.
- The Nomination Committee, which manages the process for Board appointments and succession planning.

The Period has been one of notable change for Strix, including Board transitions, the Disposal of Billi, a change to the financial year end, and a strengthening of the balance sheet.

Other Board activities for the Period included:

- Regularly reviewing financial performance against budgets and forecasts, and addressing any variances at scheduled meetings.
- Approving trading updates, interim, and full-year results, as well as the Annual Report and Accounts.
- Considering reports and recommendations from Committee Chairs following each Committee meeting.
- Receiving updates from the Group's brokers.
- Reviewing feedback and insights from engagement with major shareholders.

Changes to the Board

During the Period we have seen two significant changes to the Board. Rachel Pallett joined Strix in October 2023 and was appointed to the Board as Chief Commercial Officer in July 2025. Following the Disposal of the Billi division in January 2026, she stepped down from the Board in February 2026 to assume the role of CEO of Billi.

The Group announced in November 2025 that Mark Bartlett would step down by mutual agreement as CEO and a Board Director with effect from 29 May 2026. Mark joined Strix in 2006 and has served as CEO since 2015.

The process to recruit Andy Rainforth as new Group CEO was led by myself with support from the Nomination Committee.

Risk management

The Board has overall responsibility for identifying, assessing, and managing business and operational risks across the Group. Risk management is embedded within Strix's strategy and day-to-day operations, providing a strong foundation to support sustainable growth and the delivery of strategic objectives. The Group adopts a structured approach at both Group and divisional level, enabling the Board and senior leadership team to identify and address risks and opportunities relevant to each area of the business. This is underpinned by a strong risk-aware culture, supporting informed decision-making and long-term value creation. Further detail of the Group's approach to risk management can be found on pages 52 to 56.

Environmental, Social and Governance ("ESG")

The Board places significant importance on its ESG responsibilities, with the aim of leaving Strix in a stronger and more sustainable position for future generations. The Group remains firmly committed to its ESG priorities, and meaningful progress has been made against its targets during the Period. Oversight of these initiatives is led at Board level by Richard Sells. Further details can be found in the Responsible Business and ESG sections on pages 32 to 49.

AGM 2026

The AGM will be held on 22 September 2026 which shareholders can attend in person. Strix regards the AGM as a key event in its annual calendar and an important opportunity for the Board to engage with stakeholders, encouraging shareholders to express their views and provide feedback.

If shareholders do have questions they would like to raise at the AGM, please send an email ahead of the meeting to agmquestions@strix.com.

> "During a period of significant change, our focus has remained on maintaining strong governance, supporting effective leadership, and making disciplined strategic decisions to strengthen the business and deliver sustainable value for our stakeholders."

Gary Lamb
Non-Executive Chairman

How Strix Governs

Corporate Governance Statement

The Board believes that effective corporate governance underpins the long-term success of the Group by providing clear leadership, effective oversight and a framework for sustainable value creation for shareholders and other stakeholders.

The Board believes that adherence to the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") provides a strong foundation for delivering shareholder value and supports the effective identification, mitigation and management of risk. Accordingly, the Group applies the principles of the QCA Code. In addition, as a company incorporated in the Isle of Man, the Directors are required to comply with certain duties set out in the Isle of Man Companies Act 2006.

Going concern

These consolidated financial statements have been prepared on the going concern basis. The Directors have made enquiries to assess the appropriateness of continuing to adopt the going concern basis. In making this assessment the Directors have considered the following:

- The current and historic trading and profitability performance of the Group.
- Income statement and cash flow forecasts, including current and forecast debt covenant headroom.
- The financial position of the Group as at 31 March 2026, including (i) cash and cash equivalents balances of £45.3m (FY24: £15.1m) and (ii) undrawn and accessible RCF facilities of £25.0m (FY24: £10.5m).

The Directors have concluded that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future based on these considerations. For an extended period of time, the key entities in the Group have traded profitably. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements and consider there are no material uncertainties about the Group's ability to continue as a going concern.

Forward-looking statements

Forward-looking statements that involve risk and uncertainties are contained in this Annual Report and Accounts. As a result of a number of differing factors, the Group's actual results may differ materially from those estimated or anticipated in the forward-looking statements. Information contained in this Annual Report and Accounts relating to the Group should not be relied upon as a guide to future performance.

AGM – voluntary disclosure

Business to be conducted at the Group's Annual General Meeting ("AGM") is set out in the separate Notice of AGM which accompanies the Annual Report and Accounts. Resolutions put before shareholders at the AGM will usually include resolutions for the appointment of Directors, approval of the Directors' remuneration report and authorisation for the Board to allot and repurchase shares. An update on the progress of the Group over the Period and current trading conditions is given at the Group's AGM.

Board composition and operation

Subsequent to Andy Rainforth's appointment to the Board on 5 August 2026, the Board will comprise of two Executive and three Non-Executive Directors. All three Non-Executive Directors are considered to be Independent. The Board meets frequently to discuss strategy, performance, and the framework of internal controls. To enable the Board to fulfil its duties, all Directors receive relevant and timely information and briefing papers are distributed to all Directors prior to Board meetings.

During the Period, the Board, led by Gary Lamb, commenced the process of recruiting a new CEO for the Group following the November 2025 announced resignation by mutual agreement of Mark Bartlett. Mark Bartlett remained as CEO until 29 May 2026. Post Period end, Andy Rainforth joined Strix on 13 July 2026 and will be appointed to the Board as the new CEO of Strix on 5 August 2026.

Throughout the Period, the Group's CEO has been accessible to all Directors, and when necessary, provides advice and services. The CEO is responsible for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. Additionally, there are procedures in place that enable the Directors to obtain independent professional advice, at the Group's expense, if necessary to fulfil their duties.

During the Period, Executive Director and Chief Commercial Officer, Rachel Pallett resigned from the Board. Rachel left Strix following an orderly handover on 31 March 2026 to take up the role as CEO of Billi.

The Board has conducted an appraisal of its own performance and that of each Director for the Period. This was completed by the use of questionnaires completed by all Directors. The results of this exercise were reviewed and feedback discussed in full by the Board.

Feedback was given by the Non-Executive Directors in respect of the Non-Executive Chairman, and by the Chairman in respect of each of the Directors and the Board as a whole. The outcome of the appraisal is that the Board has been effective in discharging its duties during the financial period ending 31 March 2026.

Internal control

The Board is responsible for ensuring that the Group maintains an effective system of internal control, designed to provide reasonable assurance regarding the reliability of financial information used within the business and for external reporting, as well as the safeguarding of assets. Within any system of internal control there are inherent limitations and, accordingly, even the most effective system can provide only reasonable, and not absolute, assurance against material misstatement or loss. Some examples of internal controls operated by the Group are given below and elsewhere in this statement.

There are clear lines of responsibility within the Group's organisational structure. Delegation of operating and financial responsibility for subsidiary companies is given to functional management via the Executive Management Team.

The ongoing process for identifying, evaluating, and managing the Group's significant risks is led by the Board. The process includes:

- Preparation and approval of budgets and regular monitoring of actual performance against budget.
- Preparation of monthly management accounts for each division and for the Group, including investigation of significant variances from budget; these are summarised and reviewed.
- Preparation of updated profitability and cash flow forecasts to reflect actual performance and revised outlook as the year progresses, including an assessment of the adequacy of funds for the foreseeable future.
- Investment policy, acquisition proposals, and major capital expenditure projects are authorised and monitored.

Throughout the Period and post Period end, the Board has carried out assessments of internal controls by considering documentation from the Audit Committee and the Executive Directors. The internal controls extend to the financial reporting process and the preparation of the consolidated accounts.

The Group continues to take further steps to embed internal control and risk management into its operations and to address areas for improvement which come to the attention of the Executive and Senior Management Teams and the Board. The Group has ethical guidelines and a defined fraud reporting and whistleblowing process which are issued to all employees within the Group.

The Group's risk management programme, which assesses key risks and the associated internal controls delegated to functional management, is reviewed regularly to ensure it continues to meet the Board's requirements.

Shareholders

The Chairman and the Non-Executive Directors will always make themselves available to meet with shareholders. Normal relationships with shareholders are maintained by the Executive Directors who brief the Board on shareholder issues and who relate the views of the Group's advisers to the Board.

The Board believes that the disclosures set out in the Strategic Report on pages 4 to 56 of the Annual Report provide the information necessary for shareholders to assess the Group's performance, business model and strategy.

As at 8 July 2026, the Group has been advised, in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, of the following notifiable interests in 3% or more of its voting rights:

	%
Number of securities in issue	**229,927,550**
AIM securities not in public hands	**23.98%**

Identity of significant shareholders as follows:

Shareholder	Shares	%
Mr Victor U Vallejo	22,988,560	10.00
Mr Kambiz Nourbakhsh	16,525,000	7.19
Fidelity Investments	13,966,903	6.07
Jupiter Asset Mgt	11,943,773	5.19
Van Lanschot Kempen Investment Mgt	7,938,519	3.45
Blackwell Partners	7,114,925	3.09

Share capital structure

Details of the Group's share capital can be found in Note 22 to the Group financial statements.


Strix
Strix

Audit Committee Report

"I am pleased to present the Audit Committee's report for the 15-month period to March 2026. I hope this report provides a clear overview of the Committee's activities, the key matters considered, and the areas that have shaped our discussions and focus."

Mark Kirkland
Chairman of the Audit Committee

Membership

- Mark Kirkland – Chairman
- Gary Lamb
- Richard Sells

Audit Committee meetings

The Committee met formally three times throughout the Period, with all members attending scheduled meetings. In addition to the formal meetings, Committee members also attended additional ad hoc meetings as required, including virtually, and through discussions via multiple emails.

All Committee members are Independent Non-Executive Directors and have significant, recent and relevant financial experience. Both Mark Kirkland and Gary Lamb are qualified Chartered Accountants and have held CFO roles for significant periods at other AIM quoted companies. For further details on Strix's Board and the members of the Audit Committee, see page 58.

The CEO, CFO and other senior finance staff attend meetings of the Audit Committee by invitation. The external auditors attend relevant meetings to present the planning and conclusions of their work, and as in previous years, the Audit Committee met with them during the Period without the Executive team present.

The Committee is able to call for information from management and consults with the external auditors directly if required. The objectivity and independence of the external auditors is safeguarded by reviewing the auditors' formal declarations of independence, assessing the level of non-audit fees payable to the auditors, and monitoring relationships between key audit staff and the Group.

The role of the Committee

The role of the Audit Committee is set out in a terms of reference document and is to:

- Monitor the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance, reviewing significant financial reporting judgements contained in them.
- Review the Group's internal financial controls and, unless expressly addressed by a separate Board risk committee composed of independent Directors, or by the Board itself, to review the Group's internal control arrangements for whistleblowing, and risk management systems.
- Evaluate the need to establish internal audit processes.
- Make recommendations to the Board, for it to put to shareholders for their approval in the Annual General Meeting, in relation to the appointment, reappointment and removal of the external auditor and to approve the remuneration, and terms of engagement of the external auditor.
- Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK and Isle of Man professional and regulatory requirements.
- Develop and implement policies on the engagement of the external auditor to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm.
- To report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

Significant issues considered in relation to the financial statements

At the request of the Board, the Audit Committee considered whether the 2026 Annual Report and Accounts were fair, balanced and understandable, and whether they provided the necessary information for shareholders to assess the Group's performance, business model, and strategy. The Committee was satisfied that this is the case.

The Audit Committee assesses whether suitable accounting policies have been adopted and whether appropriate estimates and judgements have been made by management. The Committee also reviews accounting papers prepared by management, and reviews reports by the external auditors. The specific areas reviewed by the Committee during the Period were:

- The accounting treatment and presentation of the restructuring and rebasing actions taken in the Period, including the Disposal of Billi.
- Revenue recognition of the various revenue streams within the Group.
- Appropriateness of the use of the going concern assumption.
- Review of the preliminary and interim financial statements and disclosures thereof.
- Key areas of accounting estimates and judgements.
- Discussion and approval of the change of the Group year end date.
- Discussion of the Terms of Reference to ensure it is relevant and updated.

Internal audit

At present, Strix does not have an internal audit function. The Audit Committee believes that, owing to the Group's size, management is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without an internal audit function. The Audit Committee reviews the need for such a function on an annual basis.

External auditor and independence

PricewaterhouseCoopers LLC is the Group's auditor and has confirmed its independence as auditor through written confirmation to the Group, and the Audit Committee monitors the relationship to ensure that auditor effectiveness, independence, and objectivity are maintained. On an annual basis and in addition to reporting their audit conclusions, the external auditor reports the audit plan, including fee proposal, to the Audit Committee.

A resolution to reappoint PricewaterhouseCoopers as the Group's auditor is being proposed at the forthcoming Annual General Meeting.

A summary of fees paid to the external auditor, including the breakdown between fees for audit and non-audit services, is set out in Note 6(c) to the financial statements.

Mark Kirkland

Chairman of the Audit Committee

3 August 2026

Nomination Committee Report

"Strix has experienced a period of significant change during the 15 months under review, which has also been reflected at Board level. The Committee remains focused on ensuring that both the Board and senior leadership team are well positioned to lead the business forward."

Gary Lamb
Chairman of the Nomination Committee

Membership

- Gary Lamb – Chairman
- Mark Kirkland
- Richard Sells

Nomination Committee meetings

The Committee met three times during the Period with all members attending scheduled meetings. In addition to the formal meetings, Committee members also attended several additional ad hoc meetings as required, including virtually, and through discussions via multiple emails.

The role of the Committee

The role of the Committee includes reviewing the composition of the Board, succession planning for both the Board and the Executive and Senior Management Teams, with the help of the CEO. It also considers:

- The structure, size and composition of the Board and its Committees including evaluating the balance of skills, experience, independence, and knowledge of its members.
- The independence and time commitments of Non-Executive Directors.
- The Board's policy on diversity as it relates to appointments to the Board.
- Succession planning for the Board and the Committee roles.
- The Committee's effectiveness.
- The Committee's terms of reference.

Activities during the Period

The Committee met to:

1. Discuss and recommend the appointment (and resignation) of Rachel Pallett, CCO as an Executive Director of Strix Group Plc.
2. Plan the succession of Mark Bartlett, the Group's CEO.
3. Discuss structural changes within senior management and succession planning for the Group Finance Director.
4. Discuss the structure, size, and composition of the Board. Other subjects were discussed to ensure the Board and Committees continue to operate.
5. Perform the annual review of the Committee's Terms of Reference.

Gary Lamb

Chairman of the Nomination Committee

3 August 2026

Directors' Remuneration Report

"This report sets out the Directors' remuneration policy and the basis for the remuneration paid to Directors in respect of the 15-month period ended 31 March 2026. As this was a 15-month financial period due to the change in the Group's financial year end, the remuneration disclosures are not directly comparable with the previous 12-month financial period. This is a one-off presentational matter specific to PE26, and we will revert to normal 12-month disclosures with effect from next year's report."

Richard Sells
Chairman of the Remuneration Committee

Membership

- Richard Sells - Chairman
- Gary Lamb
- Mark Kirkland

Remuneration Committee meetings

The Committee held three meetings during the Period and all members of the Committee attended all meetings.

Korn Ferry has provided independent advisory services to the Committee since 2017. Korn Ferry is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct.

The Role of the Committee

The main duties of the Remuneration Committee are set out in its terms of reference and include:

- Determining the remuneration policy for the Board Chairman and all Executive Directors, having regard to the risk appetite of the Group and alignment to its long-term strategic goals.
- Reviewing the ongoing appropriateness and relevance of the remuneration policy, having regard to pay and employment conditions across the wider Group.
- Approving the design of, and determining targets for any performance-related pay schemes operated by the Group and approving the total annual payments made under such schemes.
- Reviewing the design of all share incentive plans for approval by the Board and shareholders.
- Determining the policy for, and scope of, pension arrangements for each Executive Director and other senior executives.
- Approving the terms of the service contracts for Executive Directors and other senior executives, and determining the policy for and scope of termination payments.
- Determining the total individual remuneration package of each Executive Director and other designated senior executives including bonuses, incentive payments and share awards.
- Establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.

Remuneration policy

The Committee's objective is to ensure that remuneration incentivises and rewards the growth of shareholder value through full alignment with Strix's strategy and with the interests of shareholders. The Committee is guided by a number of fundamental principles:

- Remuneration should be set by taking into account pay levels in the various jurisdictions in which Strix operates, whilst complying with UK PLC structural norms and good practice.
- The policy should be linked to long-term value creation and the Group's purpose, strategy and culture.
- The policy should attract, retain and motivate high-calibre Executive Directors and senior management through a significant weighting on performance-related pay.
- Incentive plans should be robust and include metrics and targets which are directly relevant to Strix.
- Pay should be simple and understandable, both externally and to colleagues.
- Good practice features such as clawback and malus arrangements should be included.
- Share ownership should be encouraged across the executive team to ensure a long-term focus and alignment of interest with shareholders.
- Pay structures should not reward behaviour that inappropriately increases the Group's exposure to risks beyond the Group's risk appetite. Pay should promote the right behaviours and actions.

Strix will keep the remuneration policy under review and will make changes as required to ensure continued alignment with the principles set out above. In doing so, the Group will consult with its major shareholders where necessary.

Application of the remuneration policy during the Period

As explained elsewhere in the Annual Report, the Period was one of considerable change for Strix as the business faced external headwinds which presented a number of significant challenges. The sale of Billi marked a major milestone which enabled the Group to strengthen its balance sheet and return to a net cash position. Strix has returned capital to shareholders through share buybacks and the tender offer, and continues to seek growth opportunities for both the Controls and Consumer Goods divisions.

The Remuneration Committee has taken decisions as necessary which have reflected the operating reality of the business over the Period. There were no payments under the standard annual bonus scheme for the Executive Directors for PE26, taking into account performance for the Period. The Committee agreed a bonus payment for Clare Foster of £15,000 in recognition of Clare's commitment and performance over the course of an exceptionally challenging period.

Vesting of the LTIP award granted in 2023 was subject to performance conditions linked to EPS growth (for 85% of the award) and energy intensity (for the remaining 15%). In light of the Group's financial performance over the period since grant, EPS targets were not met. However, the reduction in energy intensity over the period exceeded the target, and therefore this award vested at 15%.

Normally, a new LTIP award would have been granted to the Executive Directors during PE26. However, in light of business circumstances, no award was granted. As explained below, potential changes to the shape of future long-term incentives are currently being explored.

Directors' Remuneration Report continued

Change of CEO

Mark Bartlett stepped down as CEO with effect from 29 May 2026 by mutual agreement with the Board, having seen Strix through a period of balance sheet transformation at the end of PE26 following the successful Disposal of Billi. His 12-month notice period will expire at the end of May 2027, during which period he will continue to receive his salary, pension and other benefits. He will not participate in the annual bonus scheme for FY27, and he will not receive any new grants of long-term incentives. He will retain a pro-rated entitlement to previously granted LTIP awards.

As part of the mutually agreed settlement, Strix will make a payment of £50,000 to Mark Bartlett at the end of his notice period as compensation for loss of office and in recognition of the waiver of any legal claims he may have against the Group. Subject to his satisfactory performance, including the completion of an orderly handover of all duties and responsibilities, he will be entitled to a further payment of £177,855. These payments were agreed by the Board as appropriate in the context of the settlement agreement reached with Mark.

In June 2026, the Group was delighted to announce the appointment of Andy Rainforth as the Group's new CEO, effective 13 July 2026. He will be appointed to the Board on 5 August 2026. Andy's basic salary has been set at £380,000,following consideration of external benchmarking data and other key factors. He has a standard benefits package including pension provision at the rate of 10% of salary and a car allowance.

Approach for 2027

The Committee is currently undertaking a review of the remuneration policy to ensure that it remains relevant for Strix for the years ahead. A particular focus of the review will be on the incentive plans, as the Committee considers potential changes to the annual bonus scheme and long-term incentives to align with the future priorities of the business. As part of this process, the Committee will engage with major shareholders as appropriate. Full details of the new policy and the Group's new approach to incentives will be included in next year's report.

In the meantime, the Group intends to seek shareholder approval at the AGM for updated LTIP rules. These will replace the current rules, which expire in 2027. The new rules have been updated to reflect changes in standard market practice and to help ensure that the Remuneration Committee has sufficient flexibility when granting long-term incentives to participants across the business going forward. The LTIP is used to grant awards to key employees across the business and the precise structure of awards may vary. For Executive Director roles, although the shape of future provision is under review (see above), it is the Committee's intention that all awards will be performance-related. A summary of the proposed changes to the LTIP rules will be included in the explanatory notes to the notice of AGM.

The salaries of the Executive Directors and the fees for the Non-Executive Directors have not been increased for FY27.

Wider workforce remuneration

The Remuneration Committee continues to consider wider pay issues across the Group when making decisions in respect of the Executive Directors. Pay levels and structures reflect local practice in each market in which Strix operates as well as job grade. Performance-related pay is in place for certain roles, including participation in bonus arrangements and (for more senior staff) grants of awards under the LTIP. The performance measures for the LTIP awards are normally aligned with those chosen for the Executive Directors although different conditions may apply in certain cases (and grant sizes are lower). During the Period, the Committee granted smaller awards of restricted shares (i.e. awards without performance conditions) to certain executives to act as a retention tool.

The Committee's review of the remuneration policy will consider the appropriate incentives for employees below Board level.

QCA Corporate Governance Code

The Board is supportive of the principles set out in the QCA Corporate Governance Code. The Remuneration Committee has reviewed the QCA Code principle on remuneration, and is satisfied that there is a good level of alignment between Strix's approach and the best practice recommendations in the Code.

In next year's report, the Committee will provide full details of the outcome of the review of the remuneration policy. Ahead of the completion of the review, the Committee does not feel it would be appropriate to include a resolution to approve the remuneration policy on the 2026 AGM agenda and will reconsider the matter next year in the light of circumstances at the time.

For this year's AGM, the Committee will continue its normal process of providing shareholders with an advisory vote on the Directors' remuneration report, and looks forward to receiving shareholder support for this resolution as well as the separate resolution covering the new LTIP rules (as explained above).

I will be available at the AGM to answer any questions you may have. Ahead of this, please contact me if you have any questions or comments on our approach. We continue to welcome all feedback from shareholders on any matter to do with Directors' remuneration.

Richard Sells

Chairman of the Remuneration Committee

3 August 2026

Directors’ Remuneration Policy

The objective of the remuneration policy for Executive Directors is to ensure remuneration incentivises and rewards the growth of shareholder value through full alignment with the Group’s strategy and with the interests of shareholders.

The total remuneration package is structured so that a significant proportion is linked to performance conditions measured over both the short and long term. A high proportion of the potential remuneration is paid in shares, thereby ensuring that executives have a strong ongoing alignment with shareholders through the Group’s share price performance.

When setting the levels of short-term and long-term variable remuneration and the balance of cash and share-based elements, consideration is given to obtaining the appropriate balance so as not to encourage unnecessary risk-taking, whilst ensuring that performance hurdles are suitably challenging.

In addition to the elements of remuneration set out in the table below, Executive Directors are required to work towards meeting share ownership guidelines. Further details are provided on pages 76 to 77.

As noted on page 72, the Remuneration Committee is currently reviewing certain aspects of the remuneration policy, with a particular focus on incentive plans. Full details of any changes will be disclosed in next year’s report.

Element	Purpose and link to strategy	Operation	Maximum opportunity
Base salary	To recruit and reward high-calibre executives for the role required.	Reviewed annually by the Committee, taking account of Group performance, individual performance, changes in responsibility and levels of increase for the workforce generally. Reference is also made to comparator benchmarks from time to time. The Committee considers the impact of any basic salary increase on the total remuneration package.	There is no prescribed maximum annual increase. The Committee is guided by movements in market rates, the performance of the business and the general salary increase for the broader employee population, but on occasion may need to take into account factors such as development in role, change in responsibility, and/ or specific retention issues.
Benefits	To provide market-competitive benefits and to help ensure the overall wellbeing of employees.	The Group typically provides: • Car allowance • Medical insurance • Health insurance • Cost-of-living allowance • Other ancillary benefits, including relocation expenses (as required) Executive Directors are also entitled to 25 days’ leave per annum.	Benefits provision is set at a level considered appropriate taking into account a variety of factors, including market practice elsewhere.
Pension	To provide market-competitive benefits and to assist post retirement financial planning.	A Group contribution to a defined contribution pension scheme or provision of cash allowance in lieu of pension.	Up to 10% of basic salary.

Directors' Remuneration Report continued

Directors' Remuneration Policy continued

Element	Purpose and link to strategy	Operation	Maximum opportunity
Annual bonus scheme	To encourage and reward excellent performance over the course of the financial year.	Annual bonus payments are based on performance against challenging targets linked to the Group's strategic objectives. Bonuses are currently paid in cash. The Remuneration Committee may review on an ongoing basis whether a proportion of the bonuses should be deferred into shares. A recovery and withholding mechanism applies in the event of a material misstatement of the Group's accounts and also for other defined reasons.	Maximum annual opportunity of 100% of basic salary.
Long-Term Incentive Plan ("LTIP")	To encourage and reward delivery of the Group's long-term strategic objectives and provide alignment with shareholders through the use of share-based remuneration.	The Group normally makes annual awards of nil-cost options. Awards are released subject to continued employment and satisfaction of challenging performance conditions measured over three years. A recovery and withholding mechanism applies in the event of a material misstatement of the Group's accounts and also for other defined reasons.	The Remuneration Committee has historically applied a limit of 100% of basic salary to grants made under the LTIP to Executive Directors. 25% of the award is payable for threshold performance. In line with the LTIP rules, the Committee may decide to allow participants to receive dividend-equivalent payments.
Non-Executive Director fees	To attract and retain a high-calibre Chairman and Non-Executive Directors.	Fee levels are set as appropriate for the role and responsibility for each Non-Executive Director position and with reference to market levels in comparably sized public companies. Fees are paid in cash. The Chairman is paid a single fee for all his responsibilities. Other Non-Executive Directors are also paid a single fee.	There is no prescribed maximum annual increase. Any increases to fee levels are guided by movements in market rates and the general salary increase for the broader employee population. On occasion, however, fee increases may need to recognise, for example, change in responsibility and/or time commitments.

Service contracts and payments for loss of office

The Remuneration Committee is responsible for approving the terms of the service contracts for Executive Directors and other senior executives. Directors' service contracts are available for inspection at the Group's registered office.

The service agreements for Andy Rainforth and Clare Foster are terminable on six months' notice. Other than payment of salary and benefits in lieu of notice, the service agreements do not provide for benefits upon termination of employment.

The Non-Executive Directors have entered into letters of appointment with the Group which can be terminated by either party providing three months' prior written notice.

Annual Report on Remuneration

Directors' remuneration for PE26

The amounts stated in the table below for PE26 represent the 15-month financial period ended 31 March 2026. They are therefore not directly comparable with the amounts stated for the comparative period (FY24), which represent the 12-month financial period ended 31 December 2024.

Name of Director		Salary and fees £k	Benefits[3] £k	Pension £k	Annual bonus £k	Long-term Incentives[4] £k	Other £k	Total £k
Executive Directors								
Mark Bartlett	**PE26**	**505**	**91**	**51**	**-**	**18**	**-**	**665**
	FY24	390	71	39	-	9	-	509
Clare Foster[1]	**PE26**	**438**	**23**	**38**	**15**	**-**	**-**	**514**
	FY24	256	13	26	-	-	-	295
Rachel Pallett[2]	**PE26**	**145**	**9**	**15**	**-**	**-**	**-**	**169**
	FY24	-	-	-	-	-	-	-
Non-Executive Directors								
Gary Lamb	**PE26**	**110**	**-**	**-**	**-**	**-**	**-**	**110**
	FY24	85	-	-	-	-	-	85
Mark Kirkland[5]	**PE26**	**66**	**-**	**-**	**-**	**-**	**-**	**66**
	FY24	51	-	-	-	-	40	91
Richard Sells	**PE26**	**66**	**-**	**-**	**-**	**-**	**-**	**66**
	FY24	51	-	-	-	-	-	51

1. Clare Foster was appointed to the Board with effect from 2 April 2024, having joined Strix on 1 February 2024. The payments in the table above for FY24 represent her remuneration as a Director from 2 April to 31 December 2024.
2. Rachel Pallett was appointed to the Board with effect from 10 July 2025 and stepped down with effect from 16 February 2026. The payments in the table above for FY26 represent her remuneration over this period.
3. Mark Bartlett's benefits include participation in the Group's private medical insurance scheme and a car allowance. Clare Foster's benefits and Rachel Pallett's benefits include life assurance, private medical insurance and a car allowance.
4. The number in this column for PE26 reflects the value of the 2023 LTIP award based on the vesting level of the award (15%) and the closing share price on the date the Remuneration Committee confirmed the vesting level, 23 July 2026 (32.55p). The number in this column for FY24 reflects the value of the 2022 LTIP award based on the vesting level of the award (15%) and the closing share price on the date the award formally vested, 1 July 2026 (39.1p). This is a restatement of the amount included in the 2024 Annual Report. The award was based on performance measured up to 31 December 2024. The extension of the vesting date to 1 July 2026 was agreed as part of the settlement agreement reached with Mark Bartlett.
5. Fees under "Other" for Mark Kirkland for FY24 represent the amounts received for his role as interim CFO during the financial period ended 31 December 2024.

Annual bonus scheme outcome for PE26

Executive Directors had the opportunity to earn a maximum annual cash bonus for PE26 of 100% of basic salary, subject to the achievement of challenging financial and non-financial targets. In light of the Group's performance, it was agreed that no bonuses should be paid under the scheme. The Committee agreed a bonus payment for Clare Foster of £15,000 in recognition of Clare's commitment and performance over the course of an exceptionally challenging period.

Directors' Remuneration Report continued

Annual Report on Remuneration continued

Performance under the LTIP award granted in 2023

Executive Directors and other members of senior management were granted an award of shares under the LTIP in April 2023. Vesting of 85% of the awards was based on EPS performance originally measured over the three-year period ended 31 December 2025. The specific EPS targets are set out below.

Annual EPS growth to be achieved in the period ended 31 December 2025	Level of vesting
Below 3%	0%
3%	25%
Between 3% and 7%	Vesting on a straight-line basis between 25% and 100%
7% or above	100%

The Committee assessed the level of performance achieved and determined that the targets had not been met. In reaching this conclusion, the Committee took into account the extension of the financial reporting period to 31 March 2026 for the final year of the performance period. The EPS of 2.8p reported for the Period reflected negative EPS growth over the performance period and, accordingly, the Committee determined that this portion of the LTIP awards should lapse.

The remaining 15% of the LTIP awards was based on Strix achieving a reduction in energy intensity over the performance period. The reduction in energy intensity over the Period was 8.3% per annum, about the target required for vesting. As a result this portion of the LTIP award vested in full.

The total vesting level for the 2023 LTIP award was therefore 15%.

Directors' participation in the LTIP

Details of the numbers of shares held by the Executive Directors under the LTIP are set out in the table below.

Executive	Scheme	Grant date	Exercise price	Number of LTIP shares at 31 December 2024	Granted during period	Vested during period	Lapsed during period	Number of shares at 31 March 2026	End of performance period	Vesting date[1]
Mark Bartlett	LTIP	21 Apr 2022	nil	148,760	-	-	126,446	22,314	31 Dec 2024	1 Jul 2026[2]
	LTIP	17 Apr 2023	nil	359,295	-	-	-	359,295	31 Mar 2026	4 Aug 2026[3]
	LTIP	25 Apr 2024	nil	528,972	-	-	-	528,972	31 Mar 2027	1 Apr 2027
Clare Foster	LTIP	1 Feb 2024	nil	225,089[4]	-	-	-	225,089	n/a	1 Feb 2027
	LTIP	25 Apr 2024	nil	458,741	-	-	-	458,741	31 Mar 2027	1 Apr 2027

1. These LTIP options cannot be exercised until the Remuneration Committee determines the performance conditions (where relevant) have been met.
2. As explained in the 2024 Directors' Remuneration Report, the performance conditions for this award were formally tested after the 2024 year end and it was deemed that the award had vested at a level of 15%. The normal vesting date for this award was April 2025; however, as part of the settlement agreement reached with Mark Bartlett, it was agreed that this award will formally vest on 1 July 2026.
3. The vesting date for this award was adjusted to account for the change to the financial year end. As explained in the relevant section above, the performance conditions for this award were formally tested after the PE26 period end deemed that the award will vest at a level of 15%.
4. This award represents the additional LTIP grant made to Clare Foster in connection with her recruitment to the Group, as previously disclosed.
5. No new LTIP awards were granted to Executive Directors during the Period ended 31 March 2026. This includes Rachel Pallett, who served as a Director from 10 July 2025 to 16 February 2026. All LTIP awards held by Rachel Pallett lapsed on her departure from the Group.

Directors' shareholding guidelines and share interests

To align their interests with shareholders, Executive Directors are required to work towards meeting specific shareholding guidelines. These guidelines require the Directors to retain at least 50% of the net of taxes gain arising from any shares vesting or acquired under the LTIP until such time as the share ownership target has been met. The guidelines require the CEO to build a holding equivalent in value to 200% of basic salary, and the CFO to build a holding equivalent in value to 150% of basic salary.

The Chairman and Non-Executive Directors are encouraged to hold shares in the Group but are not subject to a formal shareholding guideline. Details of the Directors' interests in shares are shown in the table below.

Director	Beneficially owned at 31 March 2026	Shareholding guideline achieved at 31 March 2026 as % of 2026 basic salary[1]
Mark Bartlett	2,745,147	>200%
Clare Foster	–	0%
Rachel Pallett[2]	–	0%
Gary Lamb[3]	468,313	n/a
Mark Kirkland	63,613[4]	n/a
Richard Sells	14,241	n/a

1. Based on the period-end share price of 36.35p.
2. Rachel Pallett was appointed to the Board with effect from 10 July 2025 and stepped down with effect from 16 February 2026. The information in the table above reflects her shareholding position as at 16 February 2026.
3. Shares registered in the name of GEL Holdings Limited, a company controlled by Gary Lamb.
4. Following the end of the Period, a trust in which Mark Kirkland has an interest tendered 6,315 shares pursuant to the tender offer announced in April 2026. Mark Kirkland had no involvement in the trustees' decision to tender the shares. Following this disposal, Mark Kirkland has an interest in 57,298 shares.

Application of the remuneration policy for FY27

Fixed remuneration

As noted on page 72, Andy Rainforth joined Strix as CEO with effect from 13 July 2026 on a basic salary of £380,000 and will be appointed to the Board on 5 August 2026. Clare Foster's salary remains at £353,060 and has not been increased for FY27. The level of pension provision for both Executive Directors is 10% of basic salary.

Mark Bartlett stepped down from the Board and as CEO on 29 May 2026. There was no increase to Mark's salary for the period of FY27 that he served as a Director.

Annual bonus scheme

As part of its review of incentive plans, the Remuneration Committee is considering the operation of the annual bonus scheme for 2027. It is anticipated that the scheme will primarily be based on the achievement of challenging financial targets, although a minority of the bonus may be subject to non-financial targets which are relevant to the strategic priorities of the business over the coming year. Details of the measures and targets chosen will be included in next year's Directors' Remuneration Report.

It is the Committee's current intention that the maximum annual bonus opportunity for the Executive Directors will remain at 100% of basic salary, payable in cash.

LTIP

The future shape of long-term incentive provision remains under review. As at the time of writing, the Committee has not made any final decisions on the exact shape of future awards. At the appropriate time, the Committee intends to consult with major shareholders on proposals, which may differ from the approach taken to date. Full details will be included in next year's Directors' remuneration report.

As explained on page 72, shareholders will be asked to approve updated LTIP rules at the AGM, in line with recommended good practice for AIM companies. The new rules reflect changes to standard market practice and will help ensure that the Committee has sufficient flexibility when granting new long-term incentive awards across the business going forward.

Chairman and Non-Executive Directors

The fees payable to the Board Chairman and the other Non-Executive Directors have not been increased for 2027. Accordingly, the fees remain at £88,700 for Gary Lamb and £53,220 each for Mark Kirkland and Richard Sells.

This report was approved by the Board of Directors and signed on its behalf by:

Richard Sells

Chairman of the Remuneration Committee

3 August 2026

Directors' Report
for the 15-month period ended 31 March 2026

The Directors present their report together with the audited consolidated financial statements of Strix Group Plc (the "Company") for the 15-month period ended 31 March 2026 (the "Period").

Principal activities of the Group

The prinicipal activities of Strix Group Plc, and its subsidiaries (the Group) are the global supply of innovative thermal management and water filtration technologies in combination with appliance design, manufacturing and sourcing.

Annual General Meeting

The Annual General Meeting ("AGM") will be held at the Company's Head Office, which is located at Forrest House, Ronaldsway, Isle of Man, IM9 2RG at 9:00am (BST) on Tuesday 22 September 2026.

Change in Financial Year-End

During the Period, the Board approved a change in the Company's and the Group's financial year-end from 31 December to 31 March in order to better align with industry cycles, especially around the key holiday season sales, as well as to allow the Group to integrate industry insights gained from attending the Canton Fair in April and October into its forecasting.

As a result of this change, these consolidated financial statements cover a 15-month period ended 31 March 2026 ("PE26"), compared to the previous 12-month period ended 31 December 2024 ("FY24"). Accordingly, the comparative information is not directly comparable with the current reporting period.

The Group's financial year will revert to a standard 12-month period ending 31 March in subsequent years.

The change in accounting reference date has been approved by the Board of Directors and notified to the Registrar of Companies in accordance with the Companies Act 2006.

Results and dividends

The Group recorded reported revenue in the Period of £102.9m (FY24: £98.7m) and a reported loss after tax of £6.9m (FY24 loss: £4.1m) from continuing operations. Reported results for the Period were materially affected by the Disposal of the Billi division on 30 January 2026. The results of the Billi division up to the date of Disposal are presented within discontinued operations in the Group's consolidated income statement. Further details are set out in Note 28.

The Directors do not recommend the payment of a final dividend for the Period ended 31 March 2026 (FY24: nil).

Share Buyback Programme

During the Period, the Company commenced a share buyback programme to repurchase its ordinary shares of £0.01 each, with a maximum aggregate consideration of up to £10m. As at 31 March 2026, the Company had repurchased 7,372,555 ordinary shares for a total consideration of £3.1m, of which £0.2m remained unpaid at 31 March 2026. The shares acquired are currently held in the own shares held reserve within equity.

As announced on 9 July 2026, the Company has paused the share buyback programme. Up until this date, 8,930,325 ordinary shares had been purchased for an aggregate consideration of c.£3.7m, at an average price of c.41.2 pence per share.

Financial risk management

Information relating to the financial risks of the Group have been included within Note 20, "Financial risk management".

Directors and their interests

The Directors of the Company who were in office during the Period and up to the date of signing the consolidated financial statements were:

Name of Director	Role
Mark Bartlett	Chief Executive Officer (resigned 29 May 2026)
Clare Foster	Chief Financial Officer
Rachel Pallett	Chief Commercial Officer (appointed 10 July 2025, resigned 16 February 2026)
Gary Lamb	Non-Executive Chairman
Richard Sells	Non-Executive Director
Mark Kirkland	Non-Executive Director

All members of the Board of Directors will retire by rotation in accordance with the Company's Memorandum and Articles of Association and all will be proposed for re-election at the AGM on 22 September 2026. The Directors who held office during the Period and as at 31 March 2026 had the following interests in the number of ordinary shares of the Company:

Name of Director	15-month period ended 31 March 2026	12-month period ended 31 December 2024
Mark Bartlett (resigned 29 May 2026)	2,745,147	2,745,147
Mark Kirkland	63,613	63,613
Gary Lamb	468,313	468,313
Richard Sells	14,241	14,241
Clare Foster	-	-
Rachel Pallett (appointed 10 July 2025, resigned 16 February 2026)	-	-

In addition to the interests in Ordinary Shares shown above, the Group operates a performance share plan (the "LTIP") for senior executives, under which certain Directors have been granted conditional share awards. Subject to achieving performance targets, the maximum number of ordinary shares which could be issued to Directors in the future under such awards as at 31 March 2026 is shown below:

Name of Director	15-month period ended 31 March 2026	12-month period ended 31 December 2024
Mark Bartlett (resigned 29 May 2026)	910,581	1,037,027
Clare Foster	683,830	683,830

The market price of the Company's shares at the end of the Period was 36.35p (FY24: 48.2p) and the range of market prices in the Period was between 32.5p and 52.0p (FY24: between 44.6p and 90.0p).

On 14 May 2026 Mark Kirkland sold 6,315 Ordinary Shares, following this disposal his remaining interest is 57,298 Ordinary Shares. No other changes took place in the interests of Directors between 31 March 2026 and the date of signing the consolidated financial statements.

Directors' indemnities and insurance

The Articles permit the Board to grant the Directors indemnities in relation to their duties as Directors, including third party indemnity provisions (within the meaning of the Isle of Man Companies Act 2006) in respect of any liabilities incurred by them in connection with any negligence, default, breach of duty or breach of trust in relation to the Company. Deeds of indemnity have been granted to each Director, but do not cover criminal acts. Directors' and Officers' liability insurance cover is in place at the date of this report. The Board remains satisfied that an appropriate level of cover is in place and a review of the levels of cover takes place on an annual basis.

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date of issue of these consolidated financial statements. As a result, the Directors continue to adopt the going concern basis in preparing the consolidated financial statements.

Further details are provided in Note 2 of the financial statements.

Independent auditor

The auditor, PricewaterhouseCoopers LLC, has indicated its willingness to continue in office and a resolution concerning reappointment will be proposed at the AGM.

On behalf of the Board

Gary Lamb

Non-Executive Chairman

3 August 2026

Statement of Directors' Responsibilities in Respect of the Financial Statements
for the 15-month period ended 31 March 2026

The Directors are responsible for preparing the consolidated financial statements in accordance with applicable laws and regulations.

The Directors have elected to prepare the consolidated financial statements in accordance with UK-adopted international accounting standards.

In preparing the consolidated financial statements, the Directors are responsible for:

- Selecting suitable accounting policies and then applying them consistently.
- Stating whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements.
- Making judgements and accounting estimates that are reasonable and prudent.
- Preparing the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.
- Preparing consolidated financial statements which give a true and fair view of the financial position of the Group and of the financial performance of the Group for that period.

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

The Directors are responsible for the maintenance and integrity of the Group's website. Legislation in the Isle of Man governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Gary Lamb

Director

3 August 2026

Clare Foster

Director

3 August 2026

Independent Auditor's Report
to the members of Strix Group Plc

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Strix Group Plc (the "Company") and its subsidiaries (together the "Group") as at 31 March 2026 and of its consolidated financial performance and its consolidated cash flows for the 15-month period (the "period") then ended in accordance with UK-adopted international accounting standards.

What we have audited

Strix Group Plc's consolidated financial statements (the "financial statements") comprise:

- the consolidated statement of financial position as at 31 March 2026;
- the consolidated income statement for the period then ended;
- the consolidated statement of comprehensive income for the period then ended;
- the consolidated statement of changes in equity for the period then ended;
- the consolidated statement of cash flows for the period then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") as applicable to audits of financial statements of public interest entities. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key audit matters

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

Independent Auditor's Report continued
to the members of Strix Group Plc

Key audit matter	**Disposal of the Billi Segment and presentation as discontinued operations.** Refer to Note 28 in the financial statements. During the year, the Group completed the disposal of the Billi Segment. The transaction was significant to the Group and required management judgement in determining the appropriate accounting treatment, including the timing of disposal, the measurement of the gain on disposal, and the presentation of the results of the Billi Segment as discontinued operations in the consolidated income statement. Given the significance of the transaction to the financial statements, the judgement involved in determining the accounting treatment, and the complexity of the related disclosures, we considered the disposal of the Billi Segment and its presentation as discontinued operations to be a key audit matter.
How our audit addressed the key audit matter	Our audit procedures included the following: Obtained and read the sale and purchase agreement and other relevant transaction documentation to understand the key terms of the disposal, including the consideration, completion mechanics, conditions precedent and effective date of disposal. Discussed the accounting implications of the transaction with management, including management's assessment of the timing of disposal, the measurement of the gain on disposal and the presentation of the Billi Segment as a discontinued operation. Evaluated management's accounting assessment against the requirements of the applicable financial reporting framework, including the criteria for recognition of a disposal and classification as discontinued operations. Performed detailed testing over the calculation of the gain on disposal of the Billi Segment, including testing the consideration recognised, the carrying value of assets and liabilities disposed of, and other directly attributable transaction-related amounts. With support from our component audit teams, performed audit procedures over the financial information relating to the Billi businesses included in the gain from discontinued operations. Assessed whether the gain from discontinued operations had been appropriately presented in the consolidated income statement. Assessed the adequacy, accuracy and completeness of the related disclosures in the Strix Group plc financial statements, including the disclosures relating to the disposal transaction and discontinued operations. We found the judgements applied by management in accounting for the disposal and discontinued operations presentation to be reasonable, and the related disclosures to be consistent with the requirements of the applicable financial reporting framework.

Other Information

The other information comprises all of the information in the Annual Report and Accounts 2026 other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with UK-adopted international accounting standards and Isle of Man law, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with our engagement letter dated 16 December 2025 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Paul Jones BSc FCA

for and on behalf of PricewaterhouseCoopers LLC

Chartered Accountants

Douglas, Isle of Man

3 August 2026

Consolidated Income Statement
for the 15-month period ended 31 March 2026

	Note	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 Restated* £000s
Income statement			
Revenue – before adjusting items		**102,949**	100,916
Revenue – adjusting items	6(b)	**-**	(2,200)
Revenue	4	**102,949**	98,716
Cost of sales – before adjusting items		**(74,558)**	(67,189)
Cost of sales – adjusting items	6(b)	**(2,084)**	(818)
Cost of sales		**(76,642)**	(68,007)
Gross profit		**26,307**	30,709
Distribution costs		**(10,276)**	(8,511)
Administrative expenses – before adjusting items		**(8,988)**	(7,424)
Administrative expenses – adjusting items	6(b)	**(3,952)**	(9,394)
Administrative expenses		**(12,940)**	(16,818)
Other operating income		**417**	402
Operating profit – before adjusting items		**9,544**	18,194
Adjusting items	6(b)	**(6,036)**	(12,412)
Operating profit		**3,508**	5,782
Finance costs – before adjusting items		**(7,736)**	(8,911)
Adjusting items	6(b)	**(498)**	-
Finance costs	7	**(8,234)**	(8,911)
Finance income		**316**	229
Profit before taxation – before adjusting items		**2,124**	9,512
Adjusting items	6(b)	**(6,534)**	(12,412)
Loss before taxation		**(4,410)**	(2,900)
Income tax expense	8	**(2,525)**	(1,171)
(Loss)/profit from continuing operations – before adjusting items		**(401)**	8,341
Adjusting items	6(b)	**(6,534)**	(12,412)
Loss from continuing operations		**(6,935)**	(4,071)
Profit from discontinued operations – before adjusting items		**6,758**	6,396
Profit/(loss) from discontinued operations – adjusting items	6(b)	**60,320**	(3,683)
Profit from discontinued operations	28	**67,078**	2,713
Profit/(loss) for the Period		**60,143**	**(1,358)**
Profit/(loss) for the Period attributable to:			
Equity holders of the Company		**60,240**	(1,377)
Non-controlling interests		**(97)**	19
		60,143	(1,358)
Profit/(loss) for the Period attributable to Equity holders of the Company arises from:			
Continuing operations		**(6,838)**	(4,090)
Discontinued operations		**67,078**	2,713
		60,240	(1,377)
Loss per share (pence) from continuing operations			
Basic	9	**(3.0)**	(1.8)
Diluted	9	**(3.0)**	(1.8)
Earnings/(loss) per share (pence) from total operations			
Basic	9	**26.2**	(0.6)
Diluted	9	**26.2**	(0.6)

*Comparatives have been restated to present the Billi division as a discontinued operation. The comparative discontinued operations balance therefore include both (i) HaloSource Water Purification Technology (Shanghai) Co. Ltd. which was reported as discontinued operations in the prior period (prior period loss of £3.3m), and (ii) the Billi division, which has been classified as a discontinued operation in the current period (prior period profit of £6.0m) (Note 28).

The Notes on pages 89 to 135 form part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income
for the 15-month period ended 31 March 2026

	Note	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 Restated* £000s
Profit/(loss) for the Period		**60,143**	(1,358)
Other comprehensive income / (expense)			
Items that may be reclassified to the income statement:			
Exchange differences on translation of continuing foreign operations, net of tax		**666**	(1,729)
Exchange differences on translation of discontinued operations, net of tax		**678**	(1,622)
Exchange differences on translation of discontinued operations recycled		**3,341**	(22)
Items that will not be reclassified to the income statement:			
Remeasurements of post-employment benefit obligations	5(c)	**(4)**	(8)
Total comprehensive income/(expense) for the Period		**64,824**	**(4,739)**
Total comprehensive income/(expense) for the Period attributable to:			
Equity holders of the Company		**64,976**	(4,757)
Non-controlling interests		**(152)**	18
		64,824	(4,739)
Total comprehensive income/(expense) for the Period attributable to Equity holders of the Company arises from:			
Continuing operations		**(6,121)**	(5,826)
Discontinued operations		**71,097**	1,069
		64,976	(4,757)

*Comparatives have been restated to present Billi division as a discontinued operation (Note 28).

The Notes on pages 89 to 135 form part of these consolidated financial statements.

Consolidated Statement of Financial Position
At 31 March 2026

ASSETS	Note	31 March 2026 £000s	31 December 2024 £000s
Non-current assets			
Intangible assets	10	**25,831**	63,021
Property, plant and equipment	11	**37,867**	44,143
Deferred tax asset	8	**488**	1,512
Total non-current assets		**64,186**	108,676
Current assets			
Inventories	13	**15,933**	25,391
Trade and other receivables	14	**11,731**	22,676
Current income tax receivable		**68**	292
Cash and cash equivalents	15	**45,261**	15,117
Total current assets		**72,993**	63,476
Total assets		**137,179**	**172,152**

EQUITY AND LIABILITIES	Note	31 March 2026 £000s	31 December 2024 £000s
Equity			
Share capital and share premium	22	**32,003**	32,002
Own shares held reserve	22	**(3,093)**	-
Retained earnings		**78,631**	18,659
Foreign currency translation reserve		**(825)**	(5,731)
Non-controlling interests		**365**	671
Total equity		**107,081**	45,601
Current liabilities			
Trade and other payables	16	**19,463**	30,729
Borrowings	17	**6,316**	11,230
Lease liabilities	24	**338**	1,129
Current income tax liabilities		**507**	2,396
Total current liabilities		**26,624**	45,484
Non-current liabilities			
Lease liabilities	24	**243**	2,545
Deferred tax liabilities	8	**2,187**	8,998
Borrowings	17	**253**	68,807
Post-employment benefits	5(c)	**791**	717
Total non-current liabilities		**3,474**	81,067
Total liabilities		**30,098**	126,551
Total equity and liabilities		**137,179**	**172,152**

The consolidated financial statements on pages 84 to 135 were approved and authorised for issue by the Board of Directors on 3 August 2026 and were signed on its behalf by:

Gary Lamb
Director

Clare Foster
Director

Consolidated Statement of Changes in Equity
for the 15-month period ended 31 March 2026

	Share capital and share premium £000s	Own shares held reserve £000s	Share-based payment reserve £000s	Retained earnings £000s	Foreign currency translation reserve £000s	Total Equity attributable to owners £000s	Non-controlling interests £000s	Total Equity £000s
Balance at 1 January 2024	23,642	-	572	19,134	(2,359)	40,989	653	41,642
(Loss)/profit for the year	-	-	-	(1,377)	-	(1,377)	19	(1,358)
Other comprehensive expenses	-	-	-	(8)	(3,372)	(3,380)	(1)	(3,381)
Total comprehensive (expense)/income for the year	-	-	-	(1,385)	(3,372)	(4,757)	18	(4,739)
Share-based payment transactions (Note 21)	-	-	343	-	-	343	-	343
Transfers between reserves (Note 21 and 22)	2	-	(912)	910	-	-	-	-
Issue of shares (Note 22)	8,748	-	-	-	-	8,748	-	8,748
Transaction costs (Note 22)	(390)	-	-	-	-	(390)	-	(390)
Total transactions with equity holders recognised directly in equity	8,360	-	(569)	910	-	8,701	-	8,701
Other transactions recognised directly in equity (Note 21)	-	-	(3)	-	-	(3)	-	(3)
Balance at 31 December 2024	32,002	-	-	18,659	(5,731)	44,930	671	45,601
Balance at 1 January 2025	**32,002**	**-**	**-**	**18,659**	**(5,731)**	**44,930**	**671**	**45,601**
Profit/(loss) for the Period	-	-	-	60,240	-	60,240	(97)	60,143
Other comprehensive (expenses)/income of continuing operations	-	-	-	(4)	721	717	(55)	662
Other comprehensive income of discontinued operations	-	-	-	-	678	678	-	678
Reclassification of foreign currency translation reserve on disposal of subsidiaries (Note 28)	-	-	-	-	3,341	3,341	-	3,341
Total comprehensive income/(expense) for the Period	-	-	-	60,236	4,740	64,976	(152)	64,824
Dividends paid to non-controlling interests	-	-	-	-	-	-	(154)	(154)
Share-based payment transactions (Note 21)	-	-	-	(80)	-	(80)	-	(80)
Issue of share capital (Note 22)	1	-	-	-	-	1	-	1
Movement in own shares held (Note 22)	-	(3,093)	-	-	-	(3,093)	-	(3,093)
Total transactions with equity holders recognised directly in equity	**1**	**(3,093)**	**-**	**(80)**	**-**	**(3,172)**	**(154)**	**(3,326)**
Other transactions recognised directly in equity	-	-	-	(184)	166	(18)	-	(18)
Balance at 31 March 2026	**32,003**	**(3,093)**	**-**	**78,631**	**(825)**	**106,716**	**365**	**107,081**

The Notes on pages 89 to 135 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the 15-month period ended 31 March 2026

	Note	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 £000s
Cash flows from operating activities			
Cash generated from operations	25(a)	**26,903**	35,817
Tax paid		**(4,793)**	(3,690)
Net cash generated from operating activities		**22,110**	32,127
Cash flows from investing activities			
Purchase of property, plant and equipment	11	**(5,298)**	(4,952)
Capitalised development costs	10	**(1,942)**	(2,629)
Purchase of other intangibles	10	**(464)**	(662)
Payment for acquisition of LAICA Brand House, net of cash acquired	12	**-**	130
Disposal of discontinued operation, net of cash disposed*	28	**102,526**	(605)
Finance income		**344**	224
Net cash generated/(used) in investing activities		**95,166**	(8,494)
Cash flows from financing activities			
Purchase of own shares	22	**(2,893)**	-
Proceeds from borrowings	17	**6,096**	-
Repayment of borrowings	17	**(80,582)**	(25,957)
Finance costs paid	17	**(7,709)**	(8,679)
Principal elements of lease payments	24	**(1,689)**	(1,847)
Net proceeds from issue of new shares	22	**-**	8,358
Dividend paid to non-controlling interests		**(154)**	-
Net cash used in financing activities		**(86,931)**	(28,125)
Net increase/(decrease) in cash and cash equivalents		**30,345**	(4,492)
Cash and cash equivalents at the beginning of the Period		**15,117**	20,114
Effects of foreign exchange on cash and cash equivalents		**(201)**	(505)
Cash and cash equivalents at the end of the Period		**45,261**	15,117

*Subsequent to Period end a £0.5m completion accounts adjustment payment was made to the buyer meaning net proceeds for the transaction was £102.0m, see Note 28.

Cash flows of discontinued operations are shown in Note 28.

The Notes on pages 89 to 135 form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements
for the 15-month period ended 31 March 2026

1. GENERAL INFORMATION

Strix Group Plc (the "Company") was incorporated and registered in the Isle of Man on 12 July 2017 as a company limited by shares under the Isle of Man Companies Act 2006 with the registered number 014963V. The address of its registered office is Forrest House, Ronaldsway, Isle of Man, IM9 2RG.

The Company's shares were admitted to trading on AIM, a market operated by the London Stock Exchange, on 8 August 2017. The principal activities of Strix Group Plc and its subsidiaries (together, the "Group") are operating as a unique global supplier of sustainable technologies, committed to providing innovative water, beverage, and wellbeing solutions wherever people come together.

2. MATERIAL ACCOUNTING POLICIES

The Group's material accounting policies set out below have, except for those applied for the first time, been applied consistently to all of the periods presented.

Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards.

The financial statements have been prepared on a historical cost basis with the exception of certain items which are measured at fair value as disclosed in the accounting policies below.

The preparation of consolidated financial statements in conformity with UK-adopted International Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

Going concern

These consolidated financial statements have been prepared on the going concern basis.

The Directors have made enquiries to assess the appropriateness of continuing to adopt the going concern basis. In making this assessment the Directors have considered the following:

- The current and historic trading and profitability performance of the Group.
- Income statement and cash flow forecasts including current and forecast interest cover covenant headroom.
- The financial position of the Group as at Period end, including (i) cash and cash equivalents balances of £45.3m (FY24: £15.1m) and (ii) undrawn and accessible RCF facilities of £25.0m (FY24: £10.5m).
- The ability to repay loan facilities if utilised due in the next 12 months.

Based on these considerations, the Directors have concluded that there is a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. The key entities in the Group have traded profitably, excluding non-cash adjusted items, for an extended period of time. As a result, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements and consider there are no material uncertainties about the Group's ability to continue as a going concern.

Change in Financial Year-End

During the Period, the Board approved a change in the Company's and the Group's financial year-end from 31 December 2025 to 31 March 2026 in order to better align with industry cycles, especially around the key holiday season sales, as well as to allow the Company to integrate industry insights gained from attending the Canton Fair in April and October into its forecasting.

Accordingly, these consolidated financial statements cover a 15-month period from 1 January 2025 to 31 March 2026, with comparatives for the 12-month period ended 31 December 2024.

As a result, the financial performance and cash flow information for the current Period are not directly comparable with the prior period.

This change does not affect the recognition, measurement, or presentation of any items in these consolidated financial statements under UK-adopted International Accounting Standards.

Standards, amendments and interpretations adopted

The following standards and amendments apply for the first time in the period commencing 1 January 2025:

- Lack of Exchangeability – Amendments to IAS 21.

The amendments listed above did not have a material impact on the consolidated financial statements.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

2. MATERIAL ACCOUNTING POLICIES continued

Standards, amendments and interpretations which are not effective or early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2026 reporting periods and have not been early adopted by the Group. These standards and amendments are outlined below.

Standard/Interpretation	Effective date Periods beginning on or after
Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
– Amendments to IFRS 9 and IFRS 7	
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Contracts Referencing Nature – dependent Electricity	1 January 2027
– Amendments to IFRS 9 and IFRS 7	
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027

IFRS 18 will replace IAS 1 *Presentation of financial statements*, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiary undertakings. The financial statements of all group companies are adjusted, where necessary, to ensure the use of consistent accounting policies.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to or has the rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. Consolidation of subsidiaries ceases from the date that control also ceases.

Reported results for the Period were materially affected by the Disposal of the Billi division on 30 January 2026. The results of the Billi division up to the date of Disposal are presented within discontinued operations in the Group's consolidated income statement. The respective notes to the financial statements are restated to reflect continued operations. Further details are set out in Note 28.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and the consolidated statement of financial position, respectively.

Joint ventures

Joint ventures are joint arrangements of which the Group has joint control, with rights to the net assets of those arrangements. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Interests in joint ventures are accounted for using the equity method of accounting (detailed below) after being recognised at cost in the consolidated statement of financial position.

Under the equity method of accounting, investments in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses from the joint venture in the consolidated income statement, and the Group's share of movements in other comprehensive income of the joint venture in other comprehensive income. Dividends received from joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the impairment of assets policy as described below in this Note.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date with the assets and liabilities of subsidiaries being measured at their fair values. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in the consolidated income statement as a bargain purchase. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing interest in the acquiree; less
- the fair value of the identifiable assets acquired and liabilities assumed.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the fair value of the acquired entity's net identifiable assets. Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

If the initial accounting for a business combination is preliminary by the end of the reporting period in which the business combination occurs, provisional amounts are reported. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities recognised retrospectively where material to reflect the new information obtained about facts and circumstances that existed as at the acquisition date, and if known, would have affected the measurement of assets and liabilities recognised at that date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in the consolidated income statement.

Foreign currency translation

Functional and presentational currency

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Pound Sterling ("£"), which is Strix Group Plc's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at Period end exchange rates, are recognised in the consolidated income statement.

They are deferred in equity if they relate to qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets, including intangible assets and goodwill arising on acquisition of those foreign operations, and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position, or at historic rates for certain line items;
- income and expenses for each statement of comprehensive income presented are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income. Such translation differences are reclassified to the consolidated income statement only on disposal or partial disposal of the foreign operation.

Net investment hedge

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

2. MATERIAL ACCOUNTING POLICIES continued

Property, plant and equipment

Initial recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. When parts of an item of property, plant and equipment have different useful lives, the components are accounted for as separate items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the consolidated income statement during the reporting period in which they are incurred.

Subsequent measurement

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of any residual values, over their estimated useful lives as follows:

- Plant and machinery 3-25 years
- Fixtures, fittings and equipment 2-10 years
- Motor vehicles 3-5 years
- Production tools 1-10 years
- Right-of-use assets 3-10 years
- Buildings (including land usage rights) 50 years
- Point-of-use dispensers 4-10 years

The Group manufactures some of its production tools and equipment. The costs of construction are included within a separate category within property, plant and equipment ("assets under construction") until the tools and equipment are ready for use as intended by management at which point the costs are transferred to the relevant asset category and depreciated. Any items that are scrapped are written off to the consolidated income statement.

The assets' residual values and useful lives are reviewed at the end of each reporting period.

Fixtures, fittings and other equipment includes computer hardware.

Derecognition

Property, plant and equipment assets are derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of property, plant and equipment, measured as the difference between net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated income statement on derecognition.

Impairment

Property, plant and equipment assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Intangible assets

Initial recognition and measurement

The Group's intangible assets relate to goodwill, capitalised development costs, intellectual property, customer relationships, brands and computer software. Goodwill acquired is allocated to those cash-generating units ("CGUs") expected to benefit from the business combination in which the goodwill arose. Goodwill is measured at cost less any accumulated impairment losses and is held in the functional currency of the acquired entity to which it relates and remeasured at the closing exchange rate at the end of each reporting period, with the movement taken through other comprehensive income. The CGUs represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. Internal costs that are incurred during the development of significant and separately identifiable new products and manufacturing techniques for use in the business are capitalised when the following criteria are met:

- it is technically feasible to complete the project so that it will be available for use;

- management intends to complete the project and use or sell it;
- it can be demonstrated how the project will develop probable future economic benefits;
- adequate technical, financial, and other resources to complete the project and to use or sell the project output are available; and
- expenditure attributable to the project during its development can be reliably measured.

Capitalised development costs include employee, travel and other directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. Refer to Note 6 (a) for details.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Intellectual property is capitalised where it is probable that future economic benefits associated with the patent will flow to the Group, and the cost can be measured reliably. The costs of renewing and maintaining patents are expensed in the consolidated income statement as they are incurred.

Customer relationships, intellectual property and brands are recognised on acquisitions where it is probable that future economic benefits will flow to the Group.

Computer software is only capitalised when it is probable that future economic benefits associated with the software will flow to the Group, and the cost of the software can be measured reliably. Computer software that is integral to an item of property, plant and equipment is included as part of the cost of the asset recognised in property, plant and equipment.

Subsequent measurement

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

• Capitalised development costs	2-10 years
• Intellectual property	Lower of useful or legal life (8-20 years)
• Technology and software	2-10 years
• Customer relationships	10-15 years
• Brands	Indefinite useful life
• Goodwill	Indefinite useful life

Brands have an indefinite useful life because there is no foreseeable limit on the Period during which the Group expects to consume the future economic benefits embodied in the asset.

The LAICA brand has been trading since inception and has been a well recognisable brand amongst the Group's trading partners, and the Group does not foresee a time limit by when these partnerships will cease.

Derecognition

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use. Gains or losses arising from derecognition of intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated income statement when the asset is derecognised. Where a subsidiary is sold, any goodwill arising on acquisition, net of any impairment, is included in determining the profit or loss arising on disposal.

Impairment

Intangible assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Intangible assets with indefinite useful lives impairment assessments

Intangible assets with indefinite useful lives arising on business combinations are allocated to the relevant CGU and are treated as the foreign operation's assets.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

2. MATERIAL ACCOUNTING POLICIES continued

Intangible assets continued

Impairment reviews are performed at least annually, or more frequently if there are indicators that the assets might be impaired. The Group has assessed the carrying values of goodwill and brands to determine whether any amounts have been impaired. The recoverable amount of the underlying CGU was based on a value in use model where future cashflows were discounted using a weighted average cost of capital as the discount rate with terminal values calculated applying a long-term growth rate. In determining the recoverable amount, the Group considered several sources of estimation uncertainty and made certain assumptions or judgements about the future. Future events could cause the assumptions used in the impairment review to change with an impact on the results and net position of the group refer to Note 3 for details.

Leases

Group as a lessee

The Group leases office space, workshops, warehouses, motor vehicles and factory space. Rental contracts are typically made for Periods of 3 - 10 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use ("ROU") asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability, finance costs and foreign exchange (where the lease is denominated in a foreign currency). The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Measurement of future lease liabilities

Liabilities arising from a lease are initially measured on a present value basis. Future lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that are based on an index or a rate.
- Amounts expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that options.
- The payment of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability.
- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct costs.
- Restoration costs.

They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the consolidated income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise primarily IT equipment.

Extension and termination options

Extension and termination options are included in a number of property leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Group as a lessor

Lease income from operating leases where the Group is a lessor, and where substantially all the risks and rewards associated with the leased asset remain with the Group, is recognised in other income on a straight-line basis over the lease term. Rental income relating to the Billi division up to the date of Disposal is presented within discontinued operations (see Note 28).

Financial assets

Classification

The Group classifies its financial assets as financial assets held at amortised cost. Management determines the classification of its financial assets at initial recognition.

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets held at amortised cost are initially recognised at fair value, and are subsequently stated at amortised cost using the effective interest method. Financial assets at amortised cost comprise cash and cash equivalents and trade and other receivables (excluding prepayments, VAT receivables and the advance purchase of commodities). Trade receivables are amounts due from customers for products sold performed in the ordinary course of business. They are due for settlement either on a cash in advance basis, or generally within 45 days, and are therefore all classified as current. Other receivables generally arise from transactions outside the usual operating activities of the Group.

Impairment of financial assets

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies the expected credit loss model to financial assets at amortised cost. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Given the nature of the Group's receivables, expected lifetime losses are not material.

Financial liabilities

With the exception of contingent consideration, the Group initially recognises its financial liabilities at fair value net of transaction costs where applicable and subsequently they are measured at amortised cost using the effective interest method. Financial liabilities comprise trade payables and other liabilities. They are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Contingent consideration is measured at fair value with changes in fair value recognised in the consolidated income statement.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other liabilities include customer rebates.

Borrowing costs

Borrowing costs are recognised initially at fair value. Borrowing costs are subsequently measured at amortised cost.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and short-term deposits maturing in less than 90 days.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

2. MATERIAL ACCOUNTING POLICIES continued

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday entitlements and defined benefit and contribution pension plans.

Short-term benefits

Short-term benefits, including holiday pay and similar non-monetary benefits, are recognised as an expense in the period in which the service is rendered. The Group recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates:

(a) when the Group can no longer withdraw the offer of those benefits; and

(b) when the Group recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Pensions

The Group operates both defined contribution and defined benefit plans for the benefit of their employees.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service or compensation.

The liability recognised in the consolidated statement of financial position in respect of the defined benefit scheme is the present value of the defined benefit obligation at the statement of financial position date less the fair value of the scheme assets, together with adjustments for actuarial gains or losses and past service costs. The defined benefit obligation is calculated by qualified independent actuaries using the projected unit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

The net pension finance cost is determined by applying the discount rate, used to measure the defined benefit pension obligation at the beginning of the accounting period, to the net pension obligation at the beginning of the accounting period taking into account any changes in the net pension obligation during the period as a result of cash contributions and benefit payments.

Pension scheme expenses are charged to the consolidated income statement within administrative expenses. Actuarial gains and losses are recognised immediately in the consolidated statement of comprehensive income. Net defined benefit pension scheme deficits before tax relief are presented separately in the consolidated statement of financial position within non-current liabilities.

Own shares held

Where the Company purchases its own equity instruments, those instruments are deducted from equity. Shares purchased are classified as own shares held at the amount of consideration paid, which includes directly attributable costs. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Where own shares held are subsequently sold or used to settle future equity award commitments, the amount received is recognised as an increase in equity.

Own shares held are excluded from the weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share.

Share-based payments

The Group has issued conditional equity settled share-based options and conditional share awards under a Long-Term Incentive Plan ("LTIP") in the parent company to certain employees. Under the LTIP, the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense.

The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions such as the requirement for the Group's shares to be above a certain price for a pre-determined period;
- excluding the impact of any service and non-market performance vesting conditions, including earnings per share targets, dividend targets, and remaining an employee of the Group over a specified period of time; and
- including the impact of any non-vesting conditions, where relevant.

These awards are measured at fair value on the date of the grant using an option pricing model and expensed in the consolidated income statement on a straight-line basis over the vesting period, after making an allowance for the estimated number of shares that will not vest. The level of vesting is reviewed and adjusted bi-annually in the consolidated income statement, with a corresponding adjustment to equity.

If the terms of an equity settled award are modified, at a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity award is cancelled by forfeiture, where the vesting conditions (other than market conditions) have not been met, any expense not yet recognised for that award as at the date of forfeiture is treated as if it had never been recognised. At the same time, any expense previously recognised on such cancelled equity awards is reversed, effective as at the date of forfeiture.

The dilutive effect, if any, of outstanding options is included in the calculation of diluted earnings per share.

Further details on the awards is included in Note 21.

Inventories

Inventories consist of raw materials and finished goods which are valued at the lower of cost and net realisable value. Cost is determined using the following basis:

Division	Raw material	Finished Goods
Controls	FIFO	Weighted Average
Consumer Goods	FIFO	Weighted Average
Billi (disposed 30 Jan 2026)	FIFO	FIFO

Cost comprises expenditure which has been incurred in the normal course of business in bringing the products to their present location and condition including applicable supplier rebates, and include all related production and engineering overheads at cost. Fixed overheads are allocated based on normal production capacity. Net realisable value is the estimated selling price in the ordinary course of business, less applicable selling expenses. At the end of each reporting period, inventories are assessed for impairment. If inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and an impairment charge is recognised in the consolidated income statement.

Inventory held by Billi division, which was disposed of on 30 January 2026, was measured on this basis up to the date of Disposal. No inventory relating to the disposed division was held by the Group at the reporting date. See Note 28 for further details.

Supplier rebates

The Group enters into agreements with suppliers whereby volume-related allowances and various other fees and discounts are received in connection with the purchase of goods from those suppliers. Most of the income received from suppliers relates to commercially agreed rebates based on historic sales volumes.

Rebates are recognised when earned by the Group, which occurs when all obligations conditional for earning income have been discharged, and the income can be measured reliably based on the terms of the contract. The income is recognised as a credit within cost of sales.

Where the income earned relates to inventories which are held by the Group at the period end, the income is included within the cost of those inventories, and recognised in cost of sales upon sale of those inventories. Amounts due relating to supplier rebates are recognised on a gross basis and within trade and other receivables.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

2. MATERIAL ACCOUNTING POLICIES continued

Revenue

The Group primarily recognises revenue from the sale of goods and services to its customers as well as from licensing arrangements. The transaction price is based on the sales agreement with the customer. Revenue is reported net of sales taxes, discounts, rebates and after eliminating intra-group sales. Rebates are based on a certain volume of purchases by a customer within a given period and are recognised on a net basis based on an expected value approach.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and is recognised when the performance obligations have been fulfilled. The Group recognises revenue from the sale of goods and services either at a point in time or over time, based on the nature of the contract terms. The Group recognises revenue from three main categories namely controls, Billi and consumer goods.

Billi division was disposed of during the period and revenue has been recognised only up to the date of Disposal. Further details are set out in Note 28 Discontinued Operations.

Controls

Revenue from the sale of goods rendered is recognised net of VAT in the consolidated income statement when the customer obtains control of the goods. Where contractual arrangements with customers include an embedded freight or storage service, an appropriate percentage of revenue is deferred until these performance obligations have also been satisfied.

All of the amounts recognised as revenue are based on the underlying terms and conditions in place with customers. No element of financing is deemed present as sales are made under normal credit terms and consistent with wider market practice.

Payment terms for the majority of customers in this category are to pay cash in advance of the goods being delivered. The Group recognises the advance payments within trade and other payables in the consolidated statement of financial position as "Payments in advance from customers". At the point the revenue is recognised, these balances are transferred from "Payments in advance from customers" to revenue. For the majority of other customers payment is normally due within 30 to 45 days from the date of sale.

Billi (Disposed 30 January 2026)

The Group recognises revenue from the following major sources under Billi:

- **Sale of tap systems, consumable products and spare parts**

  Revenue from the sale of tap systems and consumables including spare parts is recognised once control of the goods has been transferred to the customer. Payment terms are 1 month from the invoice date and is recorded within trade receivables until payment is received.

- **Rental of tap systems**

  Rental income is made up of revenue from the supply of tap systems where the Company is lessor in an operating lease. Payment for rental income is in advance of the rental period and the rental income is recognised over time, with the transaction price allocated to this service released on a straight-line basis over the period of the lease. Included in the transaction price for the rental of tap systems, in some contracts, is the installation of those tap systems. The supply and installation elements of the contract are one deliverable, as they are highly interrelated, and therefore there is no allocation of a portion of the transaction price to the installation.

Initial direct costs incurred in arranging an operating lease (except where immaterial) are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Rental agreements run for a minimum period of twelve months and typically for three to five years. Some rental agreements have no fixed end date and may be cancelled by either party.

The average useful economic life for a Point-of-use (POU) water device is approximately four to ten years whilst refurbishment can extend the life of some devices to eleven years or more. For this reason, existing rental agreements are not judged to transfer substantially all of the risks and rewards of ownership to the lessee.

Revenue is recognised for the rental of tap systems from when the taps have been installed as this is the point in time that the consideration is unconditional from this point.

- **Servicing of tap systems**

  The Company has taken advantage of IFRS 15, para 4 whereby they have grouped contracts for the servicing of taps into a portfolio, on the basis that applying IFRS 15 to each individual contract would not result in a material difference. This is on the basis that the underlying contracts are relatively homogenous and that under the contracts, each unit covered would be serviced twice per annum and the completion of the performance obligation, being the completion of the service, would be evenly spread throughout the period over the various contracts. Therefore the sale of services are recognised proportionally over the duration of the service period, provided a right to consideration has been established subject to a minimum notice period or early termination penalty.

Whilst payment terms are in advance of the service period, revenue is recognised for the servicing of tap systems from when the contracts have been entered into as this is the point in time that the consideration is unconditional.

Consumer Goods

Sales are either 'direct' to the end user customers or 'indirect' to wholesale and retail distributors. Revenue from the supply of goods is recognised once control of the goods has been transferred to the customer, being when goods have been delivered to a customer site or in the case of indirect sales, when the goods have been delivered to the wholesale distributor.

Deferred revenue

Deferred revenue represents consideration received or invoiced in advance of the related performance obligations and is recognised as a contract liability within "Payment in advance from customers" on the consolidated statement of financial position.

Licensing income

The Group holds a substantial portfolio of issued and registered intellectual property rights relating to certain aspects of its hardware devices, accessories, goods, software and services under controls and consumer goods. This includes patents, designs, copyrights, trademarks and other forms of intellectual property rights registered in the U.K. and various foreign countries.

From time to time, the Group enters into term-based and exclusive licensing arrangements with some of its customers in respect of its intellectual property.

The licensing income is recognised at a point in time or over time based on the following assessment. Where the licensing arrangement is a distinct performance obligation, Management assess whether the licensing contract gives the customer either:

- the right to access the Group's intellectual property as it exists throughout the licence period; or
- right to use the Group's intellectual property as it exists at the point in time at which the licence is granted.

Revenue from a licencing contract which is considered to provide a right to the customer to access the Group's intellectual property as it exists throughout the licence period is recognised over time, as and when the related performance obligation is satisfied.

A licensing contract gives the customer the right to access the Group's intellectual property as it exists throughout the license period when all the following are met:

- the contract requires, or the customer reasonably expects, that the Group undertake activities that significantly affect the intellectual property to which the customer has rights; and
- the rights granted by the licence directly expose the customer to any positive or negative effects of the entity's activities identified above; and
- those activities do not result in the transfer of a good or a service to the customer as those activities occur.

Revenue relating to a licensing contract which does not meet the above criteria is recognised at a point in time, which is usually the point at which the licence is granted to the customer but not before the beginning of the period during which the customer is able to use and benefit from the licence.

Cost of sales

Cost of sales comprise costs arising in connection with the manufacture of thermostatic controls, cordless interfaces, and other products such as water dispensers, taps, jugs and filters. Cost is based on the cost of purchases on a weighted average basis and first in first out "FIFO" (for Billi), and includes all direct costs and an appropriate portion of fixed and variable overheads where they are directly attributable to bringing the inventories into their present location and condition. This also includes an allocation of non-production overheads, costs of designing products for specific customers and amortisation of capitalised development costs.

Research and development

Research expenditure is written off to the consolidated income statement within cost of sales in the year in which it is incurred. Development expenditure is written off in the same way unless the Directors are satisfied as to the technical, commercial and financial viability of the individual projects. In this situation, the expenditure is classified on the consolidated statement of financial position as a capitalised development cost.

Finance income

Finance income comprises bank interest earned on financial assets that are held for cash management purposes. Finance income is recognised using the effective interest rate method.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

2. MATERIAL ACCOUNTING POLICIES continued

Finance costs

Finance costs directly attributable to the acquisition or construction of a qualifying asset are capitalised. Qualifying assets are those that necessarily take a substantial period of time to prepare for their intended use. All other borrowing costs are recognised in the consolidated income statement in finance costs. Finance costs comprise interest charges on lease liabilities, interest on borrowings, arrangement fees, the unwind of discounts on the present value of liabilities, and finance charges relating to letters of credit. Finance costs are determined using the effective interest rate method.

Taxation

Current tax is the expected tax payable on the taxable income for the Period, using tax rates enacted or substantively enacted at the statement of financial position date in the countries where the Company and its subsidiaries operate and generate taxable income, and any adjustment to tax payable in respect of previous years.

Current and deferred tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction from the proceeds. Share premium arising on the issue of shares is distributable. Share capital and share premium have been grouped for the purposes of financial statement presentation.

Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the Directors. In the case of final dividends, this is when approved by the shareholders at the AGM.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Board of Directors. The Board of Directors consists of the Executive Directors and the Non-Executive Directors.

Government grants

Subsidiary companies receive grants from the Isle of Man and Chinese governments towards revenue and capital expenditure. Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and all attached conditions complied with.

Revenue grants are recognised as income over the Period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. The grant income is presented within other operating income in the consolidated income statement.

Capital grants are initially recognised as other liabilities when received, and subsequently recognised as other income in the consolidated income statement on a straight-line basis over the useful life of the related asset. The grants are dependent on the subsidiary company having fulfilled certain operating, investment and profitability criteria in the Period, primarily relating to employment.

Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The Group provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience which may vary due to the use of new materials, changes in manufacturing processes or other developments that affect product quality. The estimate of warranty-related costs is revised annually. Warranty provisions are recognised in cost of sales in the consolidated income statement and presented in the consolidated statement of financial position in trade and other payables.

Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of carrying amount and fair value less costs to sell, with the exception of assets which are scoped out of the measurement requirements of IFRS 5 'Non-current assets held for sale and discontinued operations', for example financial assets, which continue to be measured in accordance with IFRS 9 'Financial instruments'.

Where the carrying amount of a non-current asset or disposal group held for sale exceeds its fair value less costs to sell, a loss is recognised. This is allocated firstly against any goodwill attributable to the disposal group, and then to other non-current assets in the disposal group that are in scope of IFRS 5's measurement requirements. Any excess loss remaining is recognised against the remaining assets of the disposal group as a whole. Assets and liabilities classified as held for sale are presented separately in the consolidated statement of financial position.

A component of the Group that is held for sale or disposed of is presented as a discontinued operation either when it is a subsidiary acquired exclusively with a view to resale; or it represents, or is part of a coordinated plan to dispose of, a separate major line of business or geographical area of operations. The net results of discontinued operations are presented separately in the consolidated income statement (and the comparatives restated). Cash flows from discontinued operations are included in the consolidated statement of cash flows but are separately disclosed in the Notes to the consolidated financial statements.

Non-GAAP alternative performance measures

In the reporting of financial information, the Directors have adopted Earnings before Interest, Taxation, Depreciation and Amortisation ("EBITDA") and adjusted EBITDA when assessing the operating performance of the Group. Adjusting items are excluded from EBITDA to calculate adjusted EBITDA. The Directors primarily use the adjusted EBITDA measure when making decisions about the Group's activities.

EBITDA and adjusted EBITDA are non-GAAP measures and may not be calculated in the same way as by other entities and hence may not be directly comparable to those reported by other entities. In determining the adjusting items, the following criteria are considered:

- if a certain event (defined as adjusting) had not occurred, the costs would not have been incurred or the income would not have been earned; or
- the costs attributable to the event have been identified using a reliable methodology of splitting amounts on an ongoing basis; and economic resources have been expended or diverted in order to directly contribute towards the related activities; and
- costs have been incurred that cannot be recovered due to the event and the related activities.

An item is treated as adjusting if it relates to certain costs or income that derive from events or transactions that fall within the normal activities of the Group but which, individually or, if of a similar type, in aggregate, are excluded from the Group's Alternative Performance Measures (APMs) by virtue of their nature or size, in order to better reflect management's view of the underlying trends and operating performance of the Group that is more comparable over time.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 2, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make accounting estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The accounting estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. There is no change in applying accounting policies for critical accounting estimates and judgements from the prior year.

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

Critical judgements in applying the Group's accounting policies

Functional currency

The Directors consider the factors set out in paragraphs 9, 10 and 11 of IAS 21, "The effects of changes in foreign currency" to determine the appropriate functional currency of its overseas operations. These factors include the currency that mainly influences sales prices, labour, material and other costs, the competitive market serviced, financing cash flows and the degree of autonomy granted to the subsidiaries.

This may change as the Group's operations and markets change in the future.

Capitalisation of development costs

The Directors consider the factors set out in the paragraphs entitled 'Intangible assets – initial recognition and measurement' in Note 2 with regard to the timing of the capitalisation of the development costs incurred. This requires judgement in determining when the different stages of development have been met. See Note 6(a) for the amounts capitalised during the current period.

Alternative performance measures (APMs) - Adjusting items

Management and the Board consider the quantitative and qualitative factors in classifying items as adjusting and exercise judgement in determining the adjustments to apply to IFRS measures. This assessment covers the nature of the item, cause of occurrence, frequency, predictability of occurrence of the item or related event, and the scale of the impact of that item on reported performance. Reversals of previous adjusting items are assessed based on the same criteria.

The restructuring and rebasing activities undertaken in PE26, have also led to judgements and estimates being made with regards to the impact of the de-prioritisation of specific product lines and groups, predominantly within the Group's Consumer Goods division. A key area of focus being the estimation of the carrying value of underlying assets, and their related write off/impairment in the consolidated statement of financial position (see Note 6(b)).

An analysis of the adjusting items included in the consolidated income statement is disclosed in Note 6(b).

Critical accounting estimates in applying the Group's accounting policies

There are no accounting estimates in the consolidated financial statements where a reasonably possible change in the next year could be expected to result in a material change to amounts recognised. However, an area of estimation performed by management in the Period which is relevant to the consolidated financial statements is disclosed below.

Impairment of indefinite lived intangible assets and goodwill

Determining whether goodwill and intangible assets with indefinite lives are impaired requires an estimation of the value in use or the fair value less costs to sell of the cash generating unit (CGU) to which the goodwill or intangible asset has been allocated. The value in use calculation requires management's estimation of the future cash flows expected to arise from the CGU.

4. SEGMENTAL REPORTING

Management has determined the operating segments based on the operating reports reviewed by the Board of Directors that are used to assess both performance and strategic decisions. Management has identified that the Board of Directors is the chief operating decision maker in accordance with the requirements of IFRS 8 'Operating Segments'.

The Board of Directors has identified 3 reportable segments from a product perspective, selling primarily to Original Equipment Manufacturers ("OEMs"), commercial and residential customers based in China, Italy and the United Kingdom:

1) **Controls** consists of the design, manufacture and sale of thermostatic controls, cordless interfaces.

2) **Consumer Goods** includes products such as water dispensers, jugs, filters, water heating and temperature control, steam management and small household appliances for personal health and wellness.

3) **Central** for the first time in the Period to 31 March 2026, the Board has re-classified certain costs, including those relating to Group departments, as Central costs. This change was made to allow for improved analysis of underlying divisional trading performance. The prior period numbers have been restated for comparability.

In December 2025, the Board announced the sale of the Billi division and the sale was completed on 30 January 2026. The Billi division was previously presented as a separate reportable segment. Further details of the Disposal and presentation as discontinued operations, which includes segmental information, are provided in Note 28.

The Board of Directors primarily uses a measure of gross profit to assess the performance of the operating segments, broken down into revenue and cost of sales for each respective segment which is reported to them on a monthly basis. Information about segment revenue is disclosed below.

	Reported Results			
	Period ended 31 March 2026 (continuing) £000s			
	Controls	Consumer Goods	Central	Total
Revenue	62,453	40,496	-	102,949
Cost of sales	(43,553)	(26,888)	(6,201)	(76,642)
Gross profit	**18,900**	**13,608**	**(6,201)**	**26,307**

	Reported Results (Restated)			
	Period ended 31 December 2024 (continuing) £000s			
	Controls	Consumer Goods	Central	Total
Revenue	67,264	31,452	-	98,716
Cost of sales	(42,211)	(22,316)	(3,480)	(68,007)
Gross profit	**25,053**	**9,136**	**(3,480)**	**30,709**

	Adjusted Results			
	Period ended 31 March 2026 (continuing) £000s			
	Controls	Consumer Goods	Central	Total
Revenue	62,453	40,496	-	102,949
Cost of sales	(41,383)	(26,974)	(6,201)	(74,558)
Gross profit	**21,070**	**13,522**	**(6,201)**	**28,391**

	Adjusted Results (Restated)			
	Period ended 31 December 2024 (continuing) £000s			
	Controls	Consumer Goods	Central	Total
Revenue	69,464	31,452	-	100,916
Cost of sales	(41,795)	(21,914)	(3,480)	(67,189)
Gross profit	**27,669**	**9,538**	**(3,480)**	**33,727**

*Adjusted gross profit excludes adjusting items as detailed in Note 6(b). Adjusted results are non-GAAP metrics used by management and are not an IFRS disclosure.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

4. SEGMENTAL REPORTING continued

Below is the geographical analysis of revenue based on the locations of external customers:

Country	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 Restated £000s
China	**65,454**	68,483
Italy	**17,745**	13,651
UK	**8,338**	6,729
Others	**11,412**	9,853
Total	**102,949**	**98,716**

Assets and liabilities

No analysis of the assets and liabilities of each operating segment is provided to the Board of Directors as part of monthly management reporting. Therefore, no analysis of segmented assets or liabilities is disclosed in this Note.

Non-current assets (i) attributed to country of domicile and (ii) attributable to all other foreign countries

In accordance with IFRS 8, the following table discloses the non-current assets located in both the Company's country of domicile (the Isle of Man) and foreign countries, primarily China and Italy, where the Group's principle subsidiaries are domiciled. Non-current assets previously located in Australia, New Zealand and the United Kingdom, which were disclosed in the prior year, are not included in the current period disclosure as they were disposed of during the Period following the Disposal of Billi. Further details of the Disposal are provided in Note 28.

	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 £000s
Country of domicile		
Intangible assets	8,201	10,966
Property, plant and equipment	1,542	1,826
Total country of domicile non-current assets	**9,743**	**12,792**
Foreign countries		
Intangible assets	17,630	52,055
Property, plant and equipment	36,325	42,317
Total foreign non-current assets	**53,955**	**94,372**
Total non-current assets (excluding deferred tax assets)	**63,698**	**107,164**

Major customers

During the 2026 Period, there were two major customers that accounted for at least 10% of total revenues (FY24: one customer). The revenue relating to those customers during the current period was £11.8m and £10.6m respectively (FY24: £15.5m and £6.6m).

5. EMPLOYEES AND DIRECTORS

(a) Employee benefit expenses

	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 Restated £000s
Wages and salaries	**29,328**	24,522
Defined contribution pension cost (Note 5(c))	**1,059**	755
Employee benefit expenses	**30,387**	**25,277**
Share-based payment transactions (Note 21)	**(80)**	343
Total employee benefit expenses	**30,307**	**25,620**

The total employee benefit expenses includes compensation to key management.

(b) Key management compensation

The following table details the aggregate compensation paid in respect of the key management, which includes the Directors and the members of the Executive team, representing members of the senior management team from all key departments of the Group.

	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 £000s
Wages and salaries	**2,799**	2,159
Pension cost (Note 5(c))	**323**	184
Share-based payment transactions	**(160)**	279
	2,962	**2,622**

There are no defined benefit schemes for key management. Pension costs under defined contribution schemes are included in the pension cost disclosed above.

(c) Retirement benefits

(i) The Strix Limited Retirement Fund

The Strix Limited Retirement Fund is a defined contribution scheme under which the assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents costs payable by the Group to the fund and amounted to £1.1m (FY24: £0.8m).

(ii) LAICA S.p.A. Termination Indemnity

LAICA S.p.A. operates a defined benefit plan for its employees in accordance with the Italian Termination Indemnity (named "Trattamento di Fine Rapporto" or "TFR") provisions defined by the National Civil Code (Article 2120). In accordance with IAS 19, the TFR provision is a defined benefit plan, which is based on the principle to allocate the final cost of benefits over the periods of service which give rise to an accrual of deferred rights under each particular benefit plan.

The calculation of the liability is based on both the length of service and on the remuneration received by the employee during that period of service. Article 2120 states that severance pay is due to the employee by the companies in any case of termination of the employment contract. For each year of service, severance pay accruals are based on total annual compensation divided by 13.05. Although the benefit is paid in full by the employer, part (0.5% of pay) of the annual accrual is paid to INPS by the employer, and is subtracted from the severance pay accruals for the contribution reference period. As of 31 December, of every year, the severance pay accrued as of 31 December of the preceding year is revalued by an index stipulated by law as follows: 1.5% plus 75% of the increase over the last 12 months in the consumer price index, as determined by the Italian Statistical Institute.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

5. EMPLOYEES AND DIRECTORS continued

(c) Retirement benefits continued

In accordance with IAS 19, the determination of the present value of the liability is carried out by an independent actuary under the projected unit method. This method considers each period of service provided by workers at the company as a unit of additional right.

The actuarial liability must therefore be quantified based on seniority reached at the valuation date and re-proportioned based on the ratio between the years of service accrued at the reference date of the assessment and the overall seniority reached at the time scheduled for the payment of the benefit.

Furthermore, this method provides to consider future salary increases, due to any cause (inflation, career, contract renewals, etc.), up to the time of termination of the employment relationship.

The below table summarises the defined benefit pension liability of LAICA S.p.A. at 31 March 2026:

	15-month period ended 31 March 2026 £000s	12-month period ended 31 December 2024 £000s
Liability as at 1 January	624	802
Service Cost	92	68
Interest Cost	24	21
Total amount recognised in the income statement	116	89
Remeasurements		
Experience losses	25	7
Loss from change in financial assumptions	(21)	1
Total amount recognised in other comprehensive income	4	8
Exchange differences on translation of foreign operations	31	(35)
Benefits paid	(73)	(240)
Liability as at the end of the Period	702	624
Other liabilities not subject to IAS 19*	89	93
Total liability as at the end of the Period	791	717

*Other liabilities not subject to IAS 19 has been included in current period to provide additional transparency

The key actuarial assumptions used in arriving at these figures include:

- Annual discount rate of 3.7% (FY24: 3.2%).
- Annual price inflation of 2.0% (FY24: 2.0%).
- Annual TFR increase of 3.0% (FY24: 3.0%).
- Demographic assumptions based on INPS published data.

The remainder of the post-employment benefit liability of £89k (FY24: £93k) as at 31 March 2026 is made up of contractual post-employment liabilities within LAICA S.p.A. that do not meet the definition of a defined benefit plan in accordance with IAS 19.

6. EXPENSES

(a) Expenses by nature

	15-month period ending 31 March 2026 £000s	12-month period ending 31 December 2024 Restated £000s
Employee benefit expense	30,387	25,277
Depreciation charges	4,278	3,612
Right-of-use depreciation charges	694	660
Amortisation (excluding adjusting items)	3,347	2,246
Adjusting items before tax (see Note 6 (b))	6,534	12,412
Net foreign exchange losses	716	213

Research and development (R&D) expenditure totalled £5.9m (FY24: £4.2m), and £1.9m (FY24: £2.6m) of development costs have been capitalised during the Period.

(b) Adjusting items

Adjusting items are excluded from our adjusted results by virtue of their nature, cause and predictability of occurrence, frequency, and scale of impact on underlying performance in order to better reflect management's view of the underlying trends and operating performance of the Group that is more comparable over time.

Adjusting items have been broken down as follows:

	31 March 2026		
Adjusting items	Continuing operations £000s	Discontinued operations £000s	Total £000s
Non-recurring items:			
Restructuring/rebasing[1]:			
Controls	2,421	-	2,421
Consumer Goods	1,781	-	1,781
Billi	-	341	341
Central costs	81	-	81
Strategic review[4]	2,168	-	2,168
Settlements	(93)	-	(93)
Gain on disposal	-	(61,387)	(61,387)
Total (A)	6,358	(61,046)	(54,688)
Recurring items:			
Share-based payments	(80)	-	(80)
Amortisation charges on acquired intangible assets	256	1,014	1,270
Total (B)	176	1,014	1,190
Total adjusting items before tax (A+B)[3]	6,534	(60,032)	(53,498)
Deferred tax on acquired intangibles	-	(288)	(288)
Total adjusting items	6,534	(60,320)	(53,786)

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

6. EXPENSES continued

(b) Adjusting items continued

Adjusting items	31 December 2024 Restated Continuing operations £000s	Discontinued operations £000s	Total £000s
Non-recurring items:			
Restructuring/rebasing[1]:			
Controls	1,529	-	1,529
Consumer Goods	6,433	-	6,433
Billi	-	2,830	2,830
Central costs	580	-	580
Mergers and acquisitions	28	-	28
Settlements[2]	3,296	-	3,296
Total (A)	11,866	2,830	14,696
Recurring items:			
Share-based payments	343	-	343
Amortisation charges on acquired intangible assets	203	1,124	1,327
Total (B)	546	1,124	1,670
Total adjusting items before tax (A+B)[3]	12,412	3,954	16,366
Deferred taxation credits relating to amortisation charges on acquired intangible assets	-	**(271)**	**(271)**
Total adjusting items	**12,412**	**3,683**	**16,095**

[1]£2.1m (FY24: £0.8m) of adjusting items from restructuring/rebasing costs are included in cost of sales. The balance of all other restructuring/rebasing adjusting items are in administrative expenses.

[2]£nil (FY24: £2.2m) of adjusting items in settlements are against controls revenue, in line with IFRS 15 Revenue from Contracts with Customers.

[3]£4.0m (FY24: £9.4m) of total adjusting items for continuing operations are included in administrative expenses.

[4]£0.5m (FY24: £nil) of total adjusting items in strategic review are included in finance costs. The balance of all other "strategic review" costs are in administrative expenses.

Adjusting items non-recurring from continuing operations

Non-recurring adjusting items of £6.4m (FY24: £11.9m) primarily comprise restructuring / rebasing costs as well as costs associated with a strategic review.

Restructuring/rebasing

Within Controls, £2.4m (FY24: £1.5m) of costs were incurred, split between restructuring / rebasing and relocation. Restructuring / rebasing costs of £2.0m relate to the Group's strategic decision to reduce inventory levels at its China factory as part of the accelerated debt reduction programme. This initiative successfully delivered a c.£8.0m reduction in manufactured stock held within the Group's Chinese operations, from the peak level reached in September 2025 to the end of PE26. However, the reduction in inventory necessitated a significant net reduction in production volumes over the whole Period. This resulted in excess under-absorbed overheads, which, in accordance with accounting standards, are expensed as incurred.

Working with a local partner, relocation costs of £0.4m were incurred to set up a small low-cost factory in North China, providing Strix with the flexibility to further reduce manufacturing costs and thereby enhance competitiveness in the less regulated and China markets. Outside of the initial investment, the additional ongoing fixed costs related to this site are low. In addition, as part of the Group's cost saving initiatives, and reflecting the retrenchment of the Group's HQ activities to the Isle of Man, Strix closed its office in Hong Kong, incurring a relocation cost of £0.1m.

In Consumer Goods, £1.8m (FY24: £6.4m) of restructuring/rebasing costs were incurred. This primarily comprises a £2.0m write-off of capitalised development costs following commercial reviews of product lines where the Group does not intend to allocate further resources or commercial focus, partially offset by the release of a stock provision of £(0.2)m recognised in FY24.

Strategic review

Strategic review costs of c.£1.6m (FY24: £nil) include third-party adviser fees incurred in the first six months of the Period. The strategic review was performed to provide greater clarity on the Group's medium-term growth ambitions, pre-Disposal, and in part to support preparation for the planned refinancing process. The outcome of significant elements of this review were utilised as part of the Disposal due diligence process.

Arrangement fees of £0.5m (FY24: £nil) were derecognised from the statement of financial position subsequent to the Disposal as the RCF reduced from £80.0m to £25.0m. Under accounting standards this was treated as a modification of the Group's financing arrangements which led to their derecognition.

Settlements

The remaining non-recurring adjusting items relate to the £(0.1)m release of a settlement provision recognised in FY24 (FY24: charge of £3.3m).

Adjusting items - Discontinued operations (AER)

The Disposal of Billi, following an unsolicited offer from Crescent Capital Partners was completed for £110.0m on a debt free / cash free basis. The Group received net proceeds of £102.0m after closing adjustments and transaction costs.

Strix acquired Billi, a leading provider of premium instant boiling, chilled and sparkling filtered water systems, in November 2022 for approximately £38.0m and therefore, the Disposal represents an absolute return of c.3x on Strix's original investment. On Disposal, £61.4m has been recognised in the consolidated income statement (see Note 28). In addition, £(0.3)m of relocation costs were incurred before Disposal, relating to the relocation of the Australian site.

(c) Auditor's remuneration

During the Period the Group (including its subsidiaries) obtained the following services from the Company's auditor, PricewaterhouseCoopers (PwC) LLC and other firms in the PwC network, as detailed below:

	15-month period ending 31 March 2026 £000s	12-month period ending 31 December 2024 Restated £000s
Fees payable to Company's auditor and its associates for the audit of the consolidated financial statements	**377**	311
Fees payable to Company's auditor and its associates for other services:		
– the audit of Company's subsidiaries	**15**	14
– other assurance services	**-**	4
– tax compliance and other	**6**	9
	398	338

In PE26, fees for the audit of the consolidated financial statements include one-off amounts relating to the Billi Disposal.

In FY24, fees for the audit of the consolidated financial statements include one-off amounts relating to commercial reviews and discontinued operations and the transfer of the Billi Australia audit to PwC.

7. FINANCE COSTS

	15-month period ending 31 March 2026 £000s	12-month period ending 31 December 2024 Restated £000s
Letter of credit charges	78	102
Right-of-use lease interest	37	52
Borrowing costs	8,119	8,757
Total finance costs	**8,234**	**8,911**

Included within borrowing costs are adjusting items of £0.5m (FY24: £nil) relating to loan arrangement fees.

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

8. TAXATION

	15-month period ending 31 March 2026 £000s	12-month period ending 31 December 2024 Restated £000s
Current tax (overseas) and deferred tax		
Current tax on overseas profits for the Period	**1,974**	1,787
Adjustments in respect of prior periods – overseas	**-**	61
Total Current Income Tax	**1,974**	1,848
Deferred Tax		
Movement in deferred tax assets and liabilities (excluding OCI movement)	**551**	(677)
Adjustments in respect of prior periods – overseas	**-**	-
Total deferred tax	**551**	(677)
Total tax charge	**2,525**	1,171

Total tax charge relates to continuing operations.

No reversals of previously recognised tax provisions occurred in the current period and prior year.

As the most significant subsidiary in the Group is based on the Isle of Man, this is considered to represent the most relevant standard rate for the Group. The tax assessed for the Period is different to the standard rate of income tax in the Isle of Man of 0% (FY24: 0%). The Group is not in scope of Pillar 2. The differences are explained below:

	15-month period ending 31 March 2026 £000s	12-month period ending 31 December 2024 Restated £000s
Loss from continuing operations before income tax	**(4,410)**	(2,900)
At Group's statutory income tax rate of 0% (FY24: 0%)	**-**	-
Impact of higher Overseas tax	**2,125**	1,728
Tax disallowed expenses	**33**	3
Adjustments to current tax of prior periods	**-**	61
Previously unrecognised tax losses used to reduce current tax expense	**-**	(15)
Research and development tax credit	**(334)**	(418)
Withholding taxes	**686**	44
Other	**15**	(232)
Income tax in the consolidated income statement	**2,525**	1,171

The Group is subject to Isle of Man income tax on profits at the rate of 0% (FY24: 0%), Chinese income tax on profits at the rate of 15% (FY24: 15%), Italian income tax on profits at a rate of 28.5% (FY24: 27.9%), and UK corporation tax on profits at a rate of 25% (FY24: 25%).

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	31 March 2026 £000s	31 December 2024 £000s	31 March 2026 £000s	31 December 2024 £000s
Property, plant and equipment	-	-	-	393
IFRS 16 Leases	-	(299)	-	-
Intangible assets	-	-	**2,161**	9,083
Provision on inventories	**(72)**	(518)	-	-
Expected credit losses on receivables	-	(15)	**12**	-
Provisions/accruals	**(338)**	(1,085)	-	-
Pension benefit	-	-	**14**	12
IFRS 2 Share-based Payments	**(8)**	(22)	-	-
Tax losses	**(70)**	(63)	-	-
Tax (assets)/liabilities	**(488)**	(2,002)	**2,187**	9,488
Tax set-off - Billi Australia	-	490	-	(490)
Net tax (assets)/liabilities	**(488)**	(1,512)	**2,187**	8,998

In FY24, Strix Australia and Billi Australia were tax assessed as a group under the tax consolidation legislation in Australia, which means that these entities are taxed as a single entity. As a consequence, the deferred tax assets and deferred tax liabilities of these entities have been offset in the consolidated financial statements.

Movement in deferred tax asset during the current period:

		Recognised in the Period			
	1 January 2025 £000s	Continuing Operations £000s	Movement of Billi	Billi Disposal	31 March 2026 £000s
IFRS 16 Leases	(299)	-	(1,257)	1,556	-
Provision on inventories	(518)	92	25	329	(72)
Expected credit losses on receivables	(15)	-	-	15	-
Provisions/accruals	(1,085)	564	(41)	223	(339)
IFRS 2 Share-based Payments	(22)	15	-	-	(7)
Tax losses	(63)	(7)	-	-	(70)
Total	**(2,002)**	**664**	**(1,273)**	**2,123**	**(488)**
Tax set off - Billi Australia	490	-	772	(1,262)	-
Net Tax (assets)/liabilities	**(1,512)**	**664**	**(501)**	**861**	**(488)**

Continuing operations: Included within the amount recognised in the Period is £(12)k recognised in equity (FY24: £16k).
Billi: Included within the amount recognised in the Period is £(18)k recognised in equity (FY24: £33k).

Movement in deferred tax assets during the prior period:

		Recognised in the Period			
	1 January 2024 £000s	Continuing Operations £000s	Movement of Billi	Billi Disposal	31 December 2024 £000s
IFRS 16 Leases	(200)	-	(99)	-	(299)
Provision on inventories	(482)	23	(59)	-	(518)
Expected credit losses on receivables	(32)	5	12	-	(15)
Provisions/accruals	(534)	(619)	68	-	(1,085)
IFRS 2 Share-based Payments	(90)	68	-	-	(22)
Derivatives	(4)	4	-	-	-
Tax losses	(69)	6	-	-	(63)
Total	**(1,411)**	**(513)**	**(78)**	**-**	**(2,002)**

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

8. TAXATION continued

Movement in deferred tax liabilities during the current period:

	1 January 2025 £000s	Recognised in the Period: Continuing Operations £000s	Movement of Billi	Billi Disposal	31 March 2026 £000s
Property, plant and equipment	393	-	952	(1,345)	-
Intangible assets	9,083	(43)	(274)	(6,605)	2,161
Expected credit losses on receivables	-	12	-	-	12
Benefit pension	12	2	-	-	14
Total	**9,488**	**(29)**	**678**	**(7,950)**	**2,187**
Tax set off - Billi Australia	(490)	-	(772)	1,262	-
Net Tax (assets)/liabilities	**8,998**	**(29)**	**(94)**	**(6,688)**	**2,187**

Continuing operations: Included within the amount recognised in the period is £0.1m recognised in equity (FY24: £0.1m).
Billi: Included within the amount recognised in the period is £0.1m recognised in equity (FY24: £0.3m).

Movement in deferred tax liabilities during the prior period:

	1 January 2024 £000s	Recognised in the Period: Continuing Operations £000s	Movement of Billi	Billi Disposal	31 December 2024 £000s
Property, plant and equipment	360	-	33	-	393
Intangible assets	9,952	(78)	(791)	-	9,083
Benefit pension	13	(1)	-	-	12
Total	10,325	(79)	(758)	-	9,488

9. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share is based on the following data:

	15-month period ended 31 March 2026: Continuing operations	Discontinued operations	Total
(Loss)/profit (£000s)			
(Loss)/profit for the purpose of basic and diluted earnings per share	**(6,838)**	**67,078**	**60,240**
Number of shares (000s)			
Weighted average number of shares for the purposes of basic earnings per share	**229,504**	**229,504**	**229,504**
Weighted average dilutive effect of conditional share awards	**-**	**-**	**-**
Weighted average number of shares for the purposes of diluted earnings per share (000s)	**229,504**	**229,504**	**229,504**
(Loss)/earnings per ordinary share (pence)			
Basic loss per ordinary share	**(3.0)**	**29.2**	**26.2**
Diluted loss per ordinary share	**(3.0)**	**29.2**	**26.2**
Adjusted (loss)/earnings per ordinary share (pence)			
Basic adjusted (loss)/earnings per ordinary share	**(0.1)**	**2.9**	**2.8**
Diluted adjusted (loss)/earnings per ordinary share	**(0.1)**	**2.9**	**2.8**

The weighted average dilutive effect of conditional share awards of 442,145 shares has not been included in the calculation of diluted earnings per ordinary share for continuing, discontinued or total operations. This is because the Group reported a loss after tax from continuing operations, which is used as the control number for determining whether potential ordinary shares are dilutive under IAS 33. As a result, the potential ordinary shares are considered anti-dilutive for the Period.

The calculation of basic and diluted adjusted earnings per share for the period is based on the following data:

		15-month period ended 31 March 2026		
		Continuing operations £000s	Discontinued operations £000s	Total £000s
(Loss)/profit for the Period		**(6,838)**	**67,078**	**60,240**
Total adjusting items before taxation (Note 6(b))	**(A)**	**6,534**	**(60,032)**	**(53,498)**
Deduct adjusting items in taxation credits:				
Deferred taxation credits relating to amortisation charges on acquired intangible assets		-	**(288)**	**(288)**
	(B)	-	**(288)**	**(288)**
Total adjusting items (A+B)		**6,534**	**(60,320)**	**(53,786)**
Adjusted (loss)/earnings		**(304)**	**6,758**	**6,454**

	12-month period ended 31 December 2024 Restated		
	Continuing operations	Discontinued operations	Total
(Loss)/profit (£000s)			
(Loss)/profit for the purpose of basic and diluted earnings per share	(4,090)	2,713	(1,377)
Number of shares (000s)			
Weighted average number of shares for the purposes of basic earnings per share	224,924	224,924	224,924
Weighted average dilutive effect of conditional share awards	-	-	-
Weighted average number of shares for the purposes of diluted earnings per share (000s)	224,924	224,924	224,924
(Loss)/earnings per ordinary share (pence)			
Basic loss per ordinary share	(1.8)	1.2	(0.6)
Diluted loss per ordinary share	(1.8)	1.2	(0.6)
Adjusted earnings per ordinary share (pence)			
Basic adjusted earnings per ordinary share	3.7	2.8	6.5
Diluted adjusted earnings per ordinary share	3.7	2.8	6.5

The weighted average dilutive effect of conditional share awards of 4,908,871 shares has not been included in the calculation of diluted earnings per ordinary share for continuing, discontinued or total operations. This is because the Group reported a loss after tax from continuing operations, which is used as the control number for determining whether potential ordinary shares are dilutive under IAS 33. As a result, the potential ordinary shares are considered anti-dilutive for the period.

The calculation of basic and diluted adjusted earnings per share is based on the following data:

		12-month period ended 31 December 2024 Restated		
		Continuing operations £000s	Discontinued operations £000s	Total £000s
(Loss)/profit for the year		(4,090)	2,713	(1,377)
Total adjusting items before taxation (Note 6(b))	**(A)**	12,412	3,954	16,366
Deduct adjusting items in taxation credits:				
Deferred taxation credits relating to amortisation charges on acquired intangible assets		-	(271)	(271)
	(B)	-	(271)	(271)
Total adjusting items (A+B)		12,412	3,683	16,095
Adjusted earnings		8,322	6,396	14,718

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

10. INTANGIBLE ASSETS

Cost	Capitalised development costs £000s	Software £000s	Intellectual property £000s	Customer relationships £000s	Brands £000s	Goodwill £000s	Intangible assets under construction £000s	Total £000s
At 1 January 2024	22,742	4,848	1,950	17,559	18,947	18,903	329	85,278
Additions	2,629	331	370	-	-	-	6	3,336
Transfers	(88)	389	26	-	-	-	(327)	-
Disposals	-	(31)	(83)	-	-	-	-	(114)
Write off	(5,570)	(50)	(592)	-	-	(384)	-	(6,596)
Effect of movement in exchange rates	(76)	(4)	(32)	(1,172)	(1,038)	(994)	(3)	(3,319)
At 31 December 2024	19,637	5,483	1,639	16,387	17,909	17,525	5	78,585
At 1 January 2025	19,637	5,483	1,639	16,387	17,909	17,525	5	78,585
Additions	**1,942**	**16**	**342**	**-**	**-**	**-**	**114**	**2,414**
Transfers	**-**	**114**	**-**	**-**	**-**	**-**	**(114)**	**-**
Write off	**(4,183)**	**-**	**(23)**	**-**	**-**	**-**	**(1)**	**(4,207)**
Disposals of Billi	**(990)**	**(366)**	**(20)**	**(14,390)**	**(11,996)**	**(9,436)**	**-**	**(37,198)**
Effect of movement in exchange rates	**13**	**4**	**34**	**283**	**477**	**553**	**1**	**1,365**
At 31 March 2026	**16,419**	**5,251**	**1,972**	**2,280**	**6,390**	**8,642**	**5**	**40,959**
Amortisation and impairment								
Balance at 1 January 2024	9,066	2,406	408	1,814	-	-	-	13,694
Amortisation charge for the Period	1,453	730	184	1,327	-	-	-	3,694
Write off/impairment	(1,145)	(41)	(93)	-	-	-	-	(1,279)
Effect of movement in exchange rates	(16)	(1)	(14)	(514)	-	-	-	(545)
Balance at 31 December 2024	9,358	3,094	485	2,627	-	-	-	15,564
Balance at 1 January 2025	9,358	3,094	485	2,627	-	-	-	15,564
Amortisation charge for the Period	**2,243**	**928**	**225**	**1,270**	**-**	**-**	**-**	**4,666**
Write off	**(2,173)**	**-**	**(8)**	**-**	**-**	**-**	**-**	**(2,181)**
Disposals of Billi	**(53)**	**(40)**	**(5)**	**(2,932)**	**-**	**-**	**-**	**(3,030)**
Effect of movement in exchange rates	**(1)**	**-**	**20**	**90**	**-**	**-**	**-**	**109**
Balance at 31 March 2026	**9,374**	**3,982**	**717**	**1,055**	**-**	**-**	**-**	**15,128**
Net book value								
At 31 December 2023	13,676	2,442	1,542	15,745	18,947	18,903	329	71,584
At 31 December 2024	10,279	2,389	1,154	13,760	17,909	17,525	5	63,021
At 31 March 2026	**7,045**	**1,269**	**1,255**	**1,225**	**6,390**	**8,642**	**5**	**25,831**

Amortisation charges for continuing operations allocated to cost of sales are £2.8m (FY24: £1.8m restated) and administrative expenses £0.8m (FY24: £0.7m restated).

Amortisation charges for discontinued operations are £1.1m (FY24: £1.2m restated).

Impairment review

The Group tests goodwill and brands annually for impairment.

For the purposes of impairment testing, the goodwill and brands allocated to the Laica cash-generating unit (CGU) are presented below. Goodwill and brands relating to the Billi CGU have been excluded, as the Billi CGU was disposed of during the year. Refer to Note 28 for further information on the disposal.

	Goodwill		Brands		Total	
CGU	31 March 2026 £000s	31 December 2024 £000s	31 March 2026 £000s	31 December 2024 £000s	31 March 2026 £000s	31 December 2024 £000s
LAICA S.p.A	**8,642**	8,262	**6,390**	6,108	**15,032**	14,370
Total	**8,642**	8,262	**6,390**	6,108	**15,032**	14,370

The recoverable amount of cash generating units is determined based on value in use calculations for goodwill and brands over a three year period with terminal value (FY24: five-year forecast period, and for brands over a twenty-year forecast period with terminal values) for LAICA entities. The recoverable amounts have been calculated with reference to the key assumptions shown below:

	LAICA S.p.A	
CGU	31 March 2026 £000s	31 December 2024 £000s
Terminal growth rate	**2.0%**	2.0%
Post-tax discount rate	**8.9%**	8.0%
Pre-tax discount rate	**11.7%**	11.1%
Royalty savings for brands	**N/A**	5.6%

Royalty Rate

During the Period, management revised the impairment assessment methodology. In the prior year, management used publicly available trademark licensing data and applied judgement to arrive at an appropriate royalty rate with reference to comparable data. For the current period, a single impairment assessment has been performed for the relevant cash-generating unit, whereby the recoverable amount is determined by comparing the net present value calculated using the discounted cash flow methodology with the combined carrying amount of goodwill and brand assets. As a result, the specific Weighted Average Cost of Capital (WACC) assumption previously applied is no longer applicable and has therefore not been disclosed.

Discount rate

The discount rate applied to the cash flows of each of the Group's operations is based on the WACC. The cost of equity element uses the risk-free rate for thirty-year bonds issued by the government in Italy adjusted for a risk premium to reflect both the increased risk of investing in equities and the systemic risk of the specific Group operating company.

In making this adjustment, inputs required are the equity market risk premium (that is, the increased return required over and above a risk-free rate by an investor who is investing in the market as a whole) and the risk adjustment, beta, applied to reflect the risk of the specific Group operating company relative to the market as a whole.

All discount rates disclosed above have been subject to appropriate review and recalculation in the Period.

In determining the risk adjusted discount rate, management has applied an adjustment for the systemic risk LAICA's operations determined using an average of the betas of comparable listed companies and, where available and appropriate, across a specific territory. Management has used an equity market risk premium that takes into consideration studies by independent economists, the average equity market risk premium over the past five years and the market risk premiums typically used by investment banks in evaluating acquisition proposals.

To calculate the pre-tax discount rate, the post-tax discount rate has been divided by one minus the applicable tax rate. Management considers this an appropriate approximation of the pre-tax rate as there are no significant timing differences between the tax cash flows and tax charges. Overall, Management is confident that the discount rate adequately reflects the circumstances in each location and is in accordance with IAS 36.

Impairments

No impairments were recognised in the current period. For details on write offs, see Note 6(b).

In FY24 £0.4m goodwill allocated to HaloSource Astrea and HaloSource Shanghai was fully written off as part of the restructuring/rebasing activities of the Group. £0.3m related to HaloSource Astrea which was included in restructuring adjusting items (see Note 6(b)) for Consumer Goods. The remaining £60k relates to HaloSource Shanghai which was included in adjusting items for discontinued operations (see Note 6(b)).

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11. PROPERTY, PLANT AND EQUIPMENT

	Plant & machinery £000s	Fixtures, fittings & equipment £000s	Motor vehicles £000s	Production tools £000s	Land & buildings £000s	Right-of-use assets £000s	Point of use dispensers £000s	Assets under construction £000s	Total £000s
Cost									
Balance at 1 January 2024	30,530	8,315	289	14,272	21,012	9,573	1,553	1,791	87,335
Additions	535	354	46	280	163	730	469	2,453	5,030
Transfers	579	139	25	390	291	-	-	(1,424)	-
Disposals	(88)	(203)	(94)	(28)	-	(543)	(250)	-	(1,206)
Write off	(290)	(308)	(1)	(63)	(51)	-	-	(394)	(1,107)
Effect of movement in exchange rates	(282)	(115)	(6)	(1)	(44)	(342)	-	(37)	(827)
Balance at 31 December 2024	30,984	8,182	259	14,850	21,371	9,418	1,772	2,389	89,225
Balance at 1 January 2025	**30,984**	**8,182**	**259**	**14,850**	**21,371**	**9,418**	**1,772**	**2,389**	**89,225**
Additions	**2,381**	**237**	**20**	**-**	**92**	**4,724**	**322**	**2,694**	**10,470**
Transfers	**1,924**	**966**	**43**	**1,064**	**260**	**-**	**326**	**(4,583)**	**-**
Disposals	**(202)**	**(492)**	**(68)**	**-**	**-**	**(2,753)**	**(451)**	**(7)**	**(3,973)**
Disposals of Billi	**(3,066)**	**(906)**	**(109)**	**-**	**(169)**	**(7,819)**	**(1,969)**	**(176)**	**(14,214)**
Effect of movement in exchange rates	**342**	**35**	**4**	**-**	**29**	**40**	**-**	**11**	**461**
Balance at 31 March 2026	**32,363**	**8,022**	**149**	**15,914**	**21,583**	**3,610**	**-**	**328**	**81,969**
Depreciation and impairment									
Balance at 1 January 2024	17,106	5,265	205	11,640	1,422	5,063	419	-	41,120
Depreciation charge for the Period	1,521	947	22	882	482	1,503	416	-	5,773
Disposals	(88)	(202)	(85)	(28)	-	(418)	-	-	(821)
Write off/impairment	(174)	(230)	(1)	(54)	(5)	-	-	-	(464)
Effect of movement in exchange rates	(235)	(84)	(4)	(1)	(38)	(165)	1	-	(526)
Balance at 31 December 2024	18,130	5,696	137	12,439	1,861	5,983	836	-	45,082
Balance at 1 January 2025	18,130	5,696	137	12,439	1,861	5,983	836	-	45,082
Depreciation charge for the Period	**2,121**	**1,182**	**21**	**714**	**697**	**1,930**	**280**	**-**	**6,945**
Disposals	**(202)**	**(468)**	**(57)**	**-**	**-**	**(2,696)**	**(405)**	**-**	**(3,828)**
Disposals of Billi	**(771)**	**(651)**	**(26)**	**-**	**(76)**	**(2,083)**	**(711)**	**-**	**(4,318)**
Effect of movement in exchange rates	**229**	**24**	**3**	**-**	**24**	**(59)**	**-**	**-**	**221**
Balance at 31 March 2026	**19,507**	**5,783**	**78**	**13,153**	**2,506**	**3,075**	**-**	**-**	**44,102**
Net book value									
At 31 December 2023	13,424	3,050	84	2,632	19,590	4,510	1,134	1,791	46,215
At 31 December 2024	12,854	2,486	122	2,411	19,510	3,435	936	2,389	44,143
At 31 March 2026	**12,856**	**2,239**	**71**	**2,761**	**19,077**	**535**	**-**	**328**	**37,867**

Depreciation charges for continuing operations allocated to cost of sales are £4.0m (FY24: £3.2m restated), distribution costs £0.3m (FY24: £0.4m restated), and administrative expenses £0.7m (FY24: £0.7m restated).

Depreciation charges for discontinued operations are £2.0m (FY24: £1.5m restated).

12. SUBSIDIARY UNDERTAKINGS AND JOINT ARRANGEMENTS OF THE GROUP

A list of all subsidiary undertakings controlled by the Group, which are all included in the consolidated financial statements, is set out below.

Name of entity	Nature of business	Country of incorporation	% of ordinary shares held by the Group for period ended 31 March 2026	% of ordinary shares held by the Group for period ended 31 December 2024	Nature of shareholding
Sula Limited	Holding company	IOM	100	100	Subsidiary
Strix Limited	Manufacture and sale of products	IOM	100	100	Subsidiary
Strix (U.K.) Limited	Holding company and group's sale and distribution centre	United Kingdom	100	100	Subsidiary
Strix Hong Kong Limited	Sale and distribution of products	Hong Kong	100	100	Subsidiary
Strix (China) Limited	Manufacture and sale of products	China	100	100	Subsidiary
Strix (USA), Inc.	Research and development, sales, and distribution of products	USA	100	100	Subsidiary
LAICA S.p.A.	Manufacture and sales of products	Italy	100	100	Subsidiary
LAICA Iberia Distribution S.L.	Sale and distribution of products	Spain	100	100	Subsidiary
LAICA International Corp.	Sale and distribution of products	Taiwan	67	67	Subsidiary
Taiwan LAICA Corp.	Sale and distribution of products	Taiwan	67	67	Subsidiary
LAICA Brand House Limited	Holding and licensing of trademarks	Hong Kong	100	100	Subsidiary
Strix Australia Pty Limited	Holding company	Australia	-	100	Subsidiary
Billi UK Limited	Manufacture and sale of products	United Kingdom	-	100	Subsidiary
Billi Australia Pty Limited	Manufacture and sale of products	Australia	-	100	Subsidiary
Billi New Zealand Limited	Manufacture and sale of products	New Zealand	-	100	Subsidiary
Billi R&D Pty Limited	Dormant company	Australia	-	100	Subsidiary
Billi Financial Services Pty Limited	Dormant company	Australia	-	100	Subsidiary

The following entities were disposed of during the Period and accordingly are not included in the Group's subsidiary undertakings at the reporting date: Strix Australia Pty Limited, Billi UK Limited, Billi Australia Pty Limited, Billi New Zealand Limited, Billi R&D Pty Limited and Billi Financial Services Pty Limited. Further details are provided in Note 28.

13. INVENTORIES

	31 March 2026 £000s	31 December 2024 £000s
Raw materials and consumables	**9,977**	8,009
Finished goods and goods in transit	**5,956**	17,382
	15,933	25,391

The cost of inventories recognised as an expense and included in cost of sales amounted to £47.2m (FY24: £46.7m restated). There was no inventory write-downs for the Period ended 31 March 2026 (FY24: £nil).

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for the 15-month period ended 31 March 2026

14. TRADE AND OTHER RECEIVABLES

	31 March 2026 £000s	31 December 2024 £000s
Amounts falling due within one year:		
Trade receivables – current	**5,083**	15,254
Trade receivables – past due < 30 days*	**1,028**	1,027
Trade receivables - past due > 30 days*	**943**	224
Trade receivables – gross	**7,054**	16,505
Loss allowance	**(551)**	(569)
Trade receivables - net	**6,503**	15,936
Prepayments	**1,103**	1,434
Advances to suppliers	**811**	520
VAT receivable	**2,585**	3,576
Other receivables	**729**	1,210
	11,731	22,676

*Trade receivables have been disaggregated into current, <30 days past due, and >30 days past due categories for enhanced disclosure. The change is presentational only and FY24 is represented.

Trade and other receivables carrying values are considered to be equivalent to their fair values. The amount of trade receivables impaired at 31 March 2026 is equal to the loss allowance provision (FY24: equal).

Adjusting items from continuing operations of £nil (FY24: £1.4m) relating to the impairment of trade and other receivables were recognised in administrative expenses in relation to restructuring/rebasing activities and £nil (FY24: £0.6m) relating to discontinued operations.

Government grants due amounted to £0.2m (FY24: £0.2m). There were no unfulfilled conditions in relation to these grants at the period end, although if the Group ceases to operate or leaves the Isle of Man within 5 years (FY24: 5 years) from the date of the last grant payment, funds may be reclaimed. Kindly refer Note 29 for further details.

The Group's trade and other receivables are denominated in the following currencies:

Currency	31 March 2026 £000s	31 December 2024 £000s
Pound Sterling	**3,912**	8,333
Chinese Yuan	**2,068**	1,362
United States Dollar	**2,163**	2,208
Euro	**3,411**	5,249
Hong Kong Dollar	**165**	85
Australian Dollar	**-**	5,028
New Zealand Dollar	**12**	304
Taiwan Dollar	**-**	107
	11,731	22,676

Movements on the Group's provision for impairment of trade receivables and the inputs and estimation technique used to calculate expected credit losses have not been disclosed on the basis the amounts are not material. The provision at 31 March 2026 was £0.6m (FY24: £0.6m).

15. CASH AND CASH EQUIVALENTS

	31 March 2026 £000s	31 December 2024 £000s
Cash at bank and in hand	**17,761**	15,117
Short-term deposits	**27,500**	-
	45,261	15,117

Cash and cash equivalents are denominated in the following currencies:

Currency	31 March 2026 £000s	31 December 2024 £000s
Pound Sterling	**34,673**	3,557
Chinese Yuan	**2,078**	1,779
United States Dollar	**1,741**	5,271
Euro	**6,647**	2,450
Hong Kong Dollar	**108**	181
Australian Dollar	**14**	1,148
New Zealand Dollar	**-**	270
Taiwan Dollar	**-**	430
Japanese Yen	**-**	31
	45,261	15,117

The pound sterling balance includes a £27.5m (FY24: nil) short-term deposit.

16. TRADE AND OTHER PAYABLES

	31 March 2026 £000s	31 December 2024 £000s
Trade payables	**6,761**	15,115
Social security and other taxes	**334**	392
Customer rebates provisions	**2,172**	1,827
Capital creditors	**683**	626
VAT liabilities	**146**	905
Other liabilities	**5,036**	2,675
Payments in advance from customers	**1,142**	3,020
Accrued expenses	**3,189**	6,169
	19,463	30,729

The fair value of financial liabilities approximates their carrying value due to short maturities. Other liabilities include goods received not invoiced amounts of £3.6m (FY24: £1.0m).

Movement in payments in advance from customers were all driven by normal trading, with the full amounts due at the beginning of the period released to revenues in the current Period.

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16. TRADE AND OTHER PAYABLES continued

Trade and other payables are denominated in the following currencies:

Currency	31 March 2026 £000s	31 December 2024 £000s
Pound Sterling	**7,762**	6,923
Chinese Yuan	**8,182**	11,623
United States Dollar	**946**	1,983
Euro	**2,490**	4,346
Hong Kong Dollar	**73**	187
Australian Dollar	**10**	4,964
New Zealand Dollar	**-**	615
Taiwan Dollar	**-**	88
	19,463	30,729

17. BORROWINGS

	31 March 2026 £000s	31 December 2024 £000s
Total current borrowings	**6,316**	11,230
Total non-current borrowings	**253**	68,807
	6,569	80,037

Current bank borrowings include small individual short-term arrangements for financing purchases and optimising cash flows within the Italian subsidiary, and term loans entered into by Strix (China) Limited in the current period.

The current portion of borrowings include accrued interest of £0.1m (FY24: £1.2m).

During the Period, the Group repaid £70.0m (FY24: £10.5m) of the Group revolving credit (facility B) and £10.6m (FY24: £14.2m) of the Group term loan. The Group also drew down £4.7m (FY24: £nil) under the Strix China short-term loan and £1.4m (FY24: repayment of £0.5m) under the Italy subsidiary short-term arrangements.

The Group made a total interest repayment of £7.7m (FY24: £8.7m).

Current and non-current borrowings are shown net of loan arrangement fees of £nil (FY24: £1.0m) and £nil (FY24: £0.7m), respectively.

Term and debt repayment schedule for borrowings

	Currency	Interest rate	Maturity date	31 March 2026 Commitments	31 December 2024 Commitments
Revolving credit facility B[1]	GBP	SONIA + 2.00% to 4.00%	25-Oct-26	-	69,055[2]
Term loan (facility A)	GBP	SONIA + 2.00% to 4.00%	30-Nov-25	-	10,636
Credito Emiliano	EUR	2.2000%	31-Jul-26	233	346
Strix China term loan (Tranche A)	RMB	CN 1Y LPR – 0.20%	21-Nov-26	2,791	-
Strix China term loan (Tranche B)	GBP	SONIA + 1.3%	17-Dec-26	2,000	-
Monte Paschi di Siena	EUR	2.2880%	30-Apr-26	386	-
Intesa San Paolo	EUR	2.2500%	30-Jun-26	343	-
Credito Emiliano	EUR	2.2000%	31-May-26	360	-
BNL	EUR	Euribor 3m + 0.5	30-Apr-28	456	-
				6,569	80,037

[1] At 31 March 2026, the margin applied was 2.85% (FY24: 2.35%).

[2] Total of £69.1m includes £69.5m of RCF B utilisation plus accrued interest of £1.2m, less loan arrangement fee of £1.7m.

Term loan (facility A) – The Company had a three-year term loan of £39.0m payable by eleven fixed repayments with the first quarterly repayment of £3.5m made on 31 March 2023. The purpose of the term loan was to part finance the acquisition of Billi. The last payment for this facility was on 26 November 2025. As at 31 March 2026, the outstanding balance on the term loan was £nil (FY24: £10.6m).

Revolving credit (facility B) (RCF)– The RCF was utilised to finance the acquisition of LAICA as well as other significant capital projects including the new factory in China and the ongoing working capital needs of the Group. Following the Billi Disposal, the RCF balance at the time was repaid in full, reducing utilisation to £nil, whilst the facility size reduced to £25m (FY24: £80m). As at 31 March 2026, the total facility utilised is £nil (FY24: £69.5m).

The Group received approval from its banking syndicate to the following amendments during the year:

September 2025 – covenant amendments

- Transition the Group's Debt Service Cover metric to an Interest Cover metric. Interest cover must not be less than 3.50:1.
- Temporarily amend leverage to be 3.00x (previously 2.75x) up to and including 30 June 2026, reverting back to 2.75x thereafter.

December 2025 – permission for the Disposal of Billi, which would trigger

- Leverage being reset to 2.75x.
- Facility size reducing from £80.0m to £25.0m and would see two lenders exiting, leaving one remaining lender.

The various agreements contain representations and warranties which are usual for an agreement of this nature. The agreements also provide for the payment of commitment fees, agency fees and arrangement fees, contain certain undertakings, guarantees and covenants (including financial covenants) and provide for certain events of default. During the period ended 31 March 2026, the Group has not breached any of the financial covenants contained within the agreements – see Note 20(d) for further details (FY24: same).

The fair values of the Group's borrowings are not materially different from their carrying amounts, since the interest payable on those borrowings is close to current market rates.

Interest applied to the revolving credit facility is calculated as the sum of the margin and SONIA. The margin under the amended agreement is dependent on the net leverage of the Group based on the following table:

Leverage	Facility B Margin % p.a.
Greater than or equal to 3.0:1	4.00
Less than 3.0:1 but greater than or equal to 2.5:1	3.50
Less than 2.5:1 but greater than or equal to 2.0:1	2.85
Less than 2.0:1 but greater than or equal to 1.5:1	2.35
Less than 1.5:1 but greater than or equal to 1.0:1	2.15
Less than 1.0:1	2.00

18. CAPITAL COMMITMENTS

	31 March 2026 £000s	31 December 2024 £000s
Contracted for but not provided in the consolidated financial statements	**137**	1,792

The above commitments include capital expenditure of £31k (FY24: £1.7m) relating to investment in China.

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19. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There continues to be a number of ongoing intellectual property infringement cases initiated by the Group, as well as patent validation challenges brought by the defendants. All of these cases are still subject to due legal process in the countries in which the matters have been raised. As a result, no contingent assets have been recognised at 31 March 2026 (FY24: £nil), as any receipts are dependent on the final outcome of each case. There are also no contingent liabilities at 31 March 2026 (FY24: £nil).

20. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and commodity price risk), credit risk, liquidity risk and capital management risk.

Risk management is carried out by the Directors. The Group uses financial instruments where required to provide flexibility regarding its working capital requirements and to enable it to manage specific financial risks to which it is exposed. Transactions are only undertaken if they relate to actual underlying exposures and hence cannot be viewed as speculative.

As the financial risk management calculations are based on forward-looking assumptions, they do not incorporate Billi's financial information.

(a) Market risk

(i) Foreign exchange risk

The Group operates predominantly in the UK, EU, US and China and is therefore exposed to foreign exchange risk. Foreign exchange risk arises on sales and purchases made in foreign currencies and on recognised assets and liabilities and net investments in foreign operations.

The Group monitors its exposure to currency fluctuations on an ongoing basis. Where possible, the Group tries to invoice in the currency of the legal entity. If this is not possible, it tries to naturally hedge against foreign exchange risk by generating revenues and incurring costs in the major currencies with which it deals. The major currencies the Group transacts in are:

- Pound Sterling (GBP)
- United States Dollar (USD)
- Chinese Yuan (CNY)
- Hong Kong Dollar (HKD)
- Euro (EUR)
- Taiwan Dollar (TWD)

Exposure by currency is analysed in Notes 14, 15 and 16.

(ii) Interest rate risk

The Group is exposed to interest rate risk on its long-term borrowings, being the revolving credit facilities and other borrowings disclosed in Note 17. The interest rates on the revolving credit facility are variable, based on SONIA and certain other conditions dependent on the financial condition of the Group, which exposes the Group to cash flow interest rate risk which is partially offset by cash held at variable rates. Other borrowings are made up of both fixed rate loans and variable loans based on SONIA/EURIBOR/China LPR.

(iii) Price risk

The Group is exposed to price risk, principally in relation to commodity prices of raw materials. The Group enters into forward commodity contracts or makes payments in advance in order to mitigate the impact of price movements on its gross margin. The Group has not designated any of these contracts as hedging instruments in either the current or prior period. At 31 March 2026, £0.4m and at 31 December 2024, £nil payments were made in advance to buy certain commodities at fixed prices.

(iv) Sensitivity analysis

Foreign exchange risk: The Group is primarily exposed to exchange rate fluctuations between GBP and USD, CNY, HKD, EUR, TWD. Assuming a reasonably possible change in foreign exchange ("FX") rates of +10% (FY24: +10%), the impact on continuing profit would be a decrease of £1.7m (2024: a decrease of £1.3m), and the impact on equity would be a decrease of £2.0m (FY24: decrease of £1.5m). A -10% change (FY24: -10%) in FX rates would cause an increase in profit of £2.0m (FY24: an increase in profit of £1.6m) and a £2.4m increase in equity (FY24: £1.9m increase in equity). This has been calculated by taking the profit generated by each currency and recalculating a comparable figure on a constant currency basis, and by retranslating the amounts in the consolidated statement of financial position to calculate the effect on equity.

Interest rate risk: The Group is exposed to interest rate fluctuations on its non-current borrowings, as disclosed in Note 17. Assuming a reasonably possible change in the SONIA/EURIBOR/LPR rate of ±0.5% (FY24: ±0.5%), the impact on continuing profit/net assets would be an increase/decrease of < £0.1m (FY24: £0.4m). This has been calculated by recalculating the loan interest using the revised rate to calculate the impact on profit and recalculating the Period end loan interest balance payable using the same rate.

As at 31 March 2026 the Group held £27.5m (FY24: nil) of short-term deposits. Assuming a reasonably possible change in the SONIA rate of ±0.5% (FY24: nil) the impact on profit/net assets would be an increase/decrease of £0.1m (FY24: nil).

Commodity price risk: The Group is exposed to commodity price fluctuations, primarily in relation to copper and silver. Assuming a reasonably possible change in commodity prices of +151% for silver (FY24: ±13%) and ±46% for copper (FY24: ±15%) based on normalised volatility analysis for the past year, the impact on continuing profit would be an increase/decrease of £6.5m (FY24: £2.5m). The Group does not hold significant quantities of copper and silver inventory, therefore the impact on equity would be the same as the profit or loss impact disclosed (FY24: same). This has been calculated by taking the average purchase price of these commodities during the Period in purchase currency and recalculating the cost of the purchases with the price sensitivity applied.

During the Period, commodity prices have experienced significantly increased volatility driven by prevailing global market conditions, including supply chain disruptions, geopolitical developments, and inflationary pressures. We have normalised our sensitivity analysis by excluding the excessively high silver prices seen in Q1 of 2026. However, notwithstanding this, the heightened price variability has increased the Group's exposure to commodity price risk, particularly in respect of key raw materials. In response, the Group has implemented a range of risk management strategies, including successfully implementing a comprehensive price increase/surcharge programme with customers, ongoing cost optimisation initiatives, and active monitoring of market trends. See the Chief Financial Officer's Statement on pages 24 to 29 for further details.

(b) Credit risk

The Group has policies in place to ensure that sales of goods are made to customers with an appropriate credit history. The Group uses letters of credit and advance payments to minimise credit risk. Management believe there is no further credit risk provision required in excess of normal provision for doubtful receivables, as disclosed in Note 14. The amount of trade and other receivables written off during the year amounted to 0.05% of revenue (FY24: 0.17% of revenue).

Cash and cash equivalents are held with reputable institutions. All material cash amounts are deposited with financial institutions whose credit rating is at least B based on credit ratings according to Standard & Poor's. At the period-end 2026, £33.3m was held with one financial institution with a credit rating of A- and £4.2m was held with one financial institution with a credit rating of A. At the period-end 2024, £5.1m was held with one financial institution with a credit rating of BBB- and £1.6m was held with one financial institution with a credit rating of BBB+.

The following table shows the external credit ratings of the institutions with whom the Group has cash deposits:

Credit risk

	31 March 2026 £000s	31 December 2024 £000s
AA-	**94**	1,273
A+	**573**	3,226
A	**4,398**	3,086
A-	**33,558**	-
BBB+	**3,772**	2,237
BBB	**-**	67
BBB-	**-**	5,178
B+	**2,831**	11
N/A	**35**	39
	45,261	15,117

Notes to the Consolidated Financial Statements continued
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20. FINANCIAL RISK MANAGEMENT continued

(c) Liquidity risk

The Group maintained appropriate cash balances and accessible credit facilities throughout the Period to manage liquidity risk. Cash flow forecasting is performed for the Group by the finance function, which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs and so that the Group minimises the risk of breaching borrowing limits or covenants on any of its borrowing facilities. The Group has revolving credit facilities to provide access to cash for various purposes. The total available revolving credit facility of £25.0m were utilised by 0% as at 31 March 2026 (FY24: 87% utilised at £69.5m).

The table below analyses the Group's financial liabilities as at 31 March 2026 into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. There are no derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 6 months £000s	6–12 months £000s	1-2 years £000s	3-5 years £000s	Over 5 years £000s	Total contractual cash flows £000s	Carrying amount/ liabilities £000s
Trade and other payables	**19,463**	**-**	**-**	**-**	**-**	**19,463**	**19,463**
Borrowings	**1,451**	**5,094**	**418**	**50**	**-**	**7,013**	**6,569**
Lease liabilities	**224**	**224**	**91**	**57**	**14**	**610**	**581**
Total financial liabilities	**21,138**	**5,318**	**509**	**107**	**14**	**27,086**	**26,613**

The table below analyses the respective financial liabilities as at 31 December 2024:

	Less than 6 months £000s	6–12 months £000s	1-2 years £000s	3-5 years £000s	Over 5 years £000s	Total contractual cash flows £000s	Carrying amount/ liabilities £000s
Trade and other payables	30,729	-	-	-	-	30,729	30,729
Borrowings	10,500	6,366	74,633	-	-	91,499	80,037
Lease liabilities	768	768	1,091	1,168	587	4,382	3,674
Total financial liabilities	41,997	7,134	75,724	1,168	587	126,610	114,440

(d) Capital risk management

The Group manages its capital to ensure its ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital. The aim of the Group is to maintain sufficient funds to enable it to make suitable capital investments whilst minimising recourse to bankers and/or shareholders. In order to maintain or adjust capital, the Group may adjust the amount of cash distributed to shareholders, return capital to shareholders, issue new shares or raise debt through its access to the AIM market.

Capital is monitored by the Group on a monthly basis by the finance function. This includes the monitoring of the Group's gearing ratios and monitoring the terms of the financial covenants related to the revolving credit facilities as disclosed in Note 17. These ratios are formally reported on a quarterly basis. The financial covenants were complied with throughout the Period. At 31 March 2026 these ratios were as follows:

- Interest Cover ratio: Not applicable (N/A) (FY24: N/A – interest cover replaced Debt service coverage ratio in the Period) – maximum per facility terms is 3.5x; and
- Leverage ratio: N/A (FY24: 1.87x) – maximum per facility terms is 2.75x for the Period ended 31 March 2026 and 31 December 2024.

Following the disposal of a subsidiary during the reporting period, the Group has applied the covenant definitions set out in the relevant banking agreements, which require exclusion of the disposed entity's financial performance for the relevant period. This adjustment resulted in net finance income, rather than net finance costs, for covenant measurement purposes and therefore the interest cover ratio is not applicable.

Further at the reporting date, the Group was in a net cash position, with cash balances exceeding outstanding borrowings. Consequently, the leverage ratio is not applicable for the Period, as the Group does not carry net debt.

(e) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level is as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There have been no other movements into or out of any levels during the year. There were no financial instruments held at fair value at the end of the current period (FY24: none).

The carrying amounts reflected in these consolidated financial statements for cash and cash equivalents, current trade and other receivables/payables and the fixed and floating rate bank borrowings approximate their fair values.

21. SHARE-BASED PAYMENTS

Long term incentive plan terms

As part of the admission to trading on AIM in August 2017, the Group granted a number of share options to employees of the Group. All of the shares granted were subject to service conditions, being continued employment with the Group until the end of the vesting period. The shares granted to the executive Directors and senior staff also included certain performance conditions which must be met, based on predetermined earnings per share and the achievement of specific ESG targets for the three financial years from grant date.

During 2020, the Group amended the terms of the Isle of Man share options to conditional share awards.

Participation in the plan is at the discretion of the Board and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Where the employee is entitled to share options, these remain exercisable until the ten-year anniversary of the award date. Where the employee is entitled to conditional share awards, these are exercised on the vesting date

The dividends that would be paid on a share in the period between grant and vesting reduce the fair value of the award if, in not owning the underlying shares, a participant does not receive the dividend income on these shares during the vesting period.

All of the options and conditional share awards are granted under the plan for nil consideration and carry no voting rights. A summary of the options and conditional share awards is shown in the table below:

	31 March 2026 Number of Shares	31 December 2024 Number of Shares
At the beginning of the Period	**5,140,099**	4,221,520
Granted during the Period	**2,499,355**	2,230,718
Exercised during the Period	**(67,611)**	(209,890)
Forfeited during the Period	**(1,969,775)**	(1,102,249)
At the end of the Period	**5,602,068**	5,140,099

The Group has recognised a total net credit of £(0.1)m (FY24: expense of £0.3m) in respect of equity-settled share-based payment transactions in the Period ended 31 March 2026.

For each of the tranches, the first day of the exercise period is the vesting date and the last day of the exercise period is the expiry date, as listed in the valuation model input table below. The weighted average contractual life of options and conditional share awards outstanding at 31 March 2026 was 8.9 years (FY24: 8.7 years).

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21. SHARE-BASED PAYMENTS continued

Valuation model inputs

The key inputs to the dividend discount model for the purposes of estimating the fair values of the share options outstanding at the end of the period are as follows:

Grant date	Share price on grant date (p)	Expiry date	Weighted average probability of meeting performance criteria	Share options outstanding at 31 March 2026	Share options outstanding at 31 December 2024
01 January 2022	303.50	01 January 2032	0.0%	-	9,164
21 April 2022	208.50	21 April 2031	0.0%	**22,314**	382,359
20 April 2023	96.90	20 April 2033	0.0%	**617,749**	1,096,439
01 November 2023	59.60	01 November 2033	0.0%	-	229,216
01 May 2024	76.50	01 May 2034	0.0%	**326,406**	546,686
03 June 2024	79.10	03 June 2034	100.0%	**30,496**	30,496
01 January 2025	48.20	31 December 2035	100.0%	**558,050**	-
22 January 2026	48.80	31 December 2035	100.0%	**840,805**	-
Total share options				**2,395,820**	2,294,360

The key inputs to the dividend discount model for the purposes of estimating the fair values of the conditional share awards outstanding at the end of the period are as follows:

Grant date	Share price on grant date (p)	Vesting date	Weighted average probability of meeting performance criteria	Conditional share awards outstanding at 31 March 2026	Conditional share awards outstanding at 31 December 2024
21 April 2022	208.50	20 April 2025	0.0%	-	156,051
20 April 2023	96.90	19 April 2026	0.0%	**867,407**	1,036,152
01 February 2024	71.60	31 January 2027	100.0%	**225,089**	225,089
01 May 2024	76.50	30 April 2027	100.0%	**1,297,689**	1,394,126
03 June 2024	79.10	30 April 2027	100.0%	**34,321**	34,321
01 January 2025	48.20	30 April 2028	100.0%	**191,238**	-
22 January 2026	48.80	30 April 2028	100.0%	**590,504**	-
Total conditional share awards				**3,206,248**	2,845,739
Total share options and conditional share awards				**5,602,068**	5,140,099

The reduction in the fair value of the awards as a consequence of not being entitled to dividends reduced the charge for the options granted during the period by £2k (FY24: £32k) and the expected charge over the life of the options by a total of £16k (FY24: £34k).

The other factors in the model do not affect the calculation and have not been disclosed, as the share options were issued for nil consideration and do not have an exercise price. The weighted average fair value of the options outstanding at the period end was £0.67 (FY24: £0.95).

22. SHARE CAPITAL AND SHARE PREMIUM

	31 March 2026			
	Number of shares 000s	Par value £000s	Share premium £000s	Total £000s
Allotted and fully paid: ordinary shares of 1p each				
Balance at 1 January 2025	**229,860**	**2,297**	**29,705**	**32,002**
Shares issued during the Period	-	-	-	-
Share options exercised during the Period (Note 21)	**68**	**1**	-	**1**
Balance at 31 March 2026	**229,928**	**2,298**	**29,705**	**32,003**

	31 December 2024			
	Number of shares 000s	Par value £000s	Share premium £000s	Total £000s
Allotted and fully paid: ordinary shares of 1p each				
Balance at 1 January 2024	218,714	2,186	21,456	23,642
Shares issued during the year	10,936	109	8,639	8,748
Transaction costs	-	-	(390)	(390)
Share options exercised during the year (Note 21)	210	2	-	2
Balance at 31 December 2024	229,860	2,297	29,705	32,002

Under the Isle of Man Companies Act 2006, the Company is not required to have an authorised share capital.

Transaction costs of £nil (FY24: £0.4m) recognised directly in share premium relate to costs associated with the raise of equity.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank pari passu in all respects including voting rights and dividend entitlement.

See Note 21 for further information regarding share-based payments which may impact the share capital in future periods.

On 4 February 2026, the Company announced a share buyback programme to repurchase up to £10.0m of its ordinary shares of £0.01 each. During the Period ended 31 March 2026, the Company repurchased 7,372,555 ordinary shares for a total consideration of £3.1m (average price 41.75p per share). In accordance with IAS 32, shares repurchased are recognised as treasury shares and presented as a deduction from equity at cost. At 31 March 2026, the Company held 7,372,555 treasury shares (FY24: nil) with a carrying amount of £3.1m (FY24: £nil), of which £0.2m remain unpaid at 31 March 2026 (FY24: £nil). The Company may cancel shares held in treasury periodically. During the period ended 31 March 2026, no shares were cancelled during the year (FY24: nil).

23. DIVIDENDS

The Directors have proposed not to pay a final dividend at this time (FY24: nil).

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24. LEASES

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

	31 March 2026 £000s	31 December 2024 £000s
Right-of-use assets		
Land and buildings	456	2,656
Motor Vehicles	79	779
Total right-of-use assets	535	3,435
Lease liabilities		
Current future lease liabilities (due within 12 months)	338	1,129
Non-current future lease liabilities (due in more than 12 months)	243	2,545
Total future lease liabilities	581	3,674

Additions to the right-of-use liabilities during the period were £4.5m (FY24: £0.7m). Disposals of right-of-use liabilities during the current period were £6.5m (FY24: £14k).

Short-term leases and leases of low values were recognised directly in the consolidated income statement, amounting to £42k (FY24: £4k Restated). Total cash outflows relating to all lease payments, including short-term leases and leases of low values were £2.1m (FY24: £2.2m).

The movement in lease liabilities is as follows:

	31 March 2026 £000s	31 December 2024 £000s
Balance as at the beginning of the Period	3,674	4,810
Additions	4,463	730
Disposals (excluding discontinued operations)	-	(14)
Repayments	(1,689)	(1,847)
Interest expense (included in finance cost) *	555	251
Disposal of SSH (Note 28)	-	(92)
Disposal of Billi (Note 28)	(6,549)	-
Foreign exchange differences	127	(164)
Balance as at the end of the period	581	3,674

*Included in this amount is £0.5m (FY24: £0.2m) interest expense relating to discontinued operations, see Note 28.

(b) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases from continuing operations:

	31 March 2026 £000s	31 December 2024 Restated £000s
Amortisation of right-of-use assets	(694)	(660)
Short-term and low value leases	(42)	(4)
Interest expense (included in finance cost)	(37)	(52)
Total cost relating to leases	(773)	(716)

25. STATEMENT OF CASH FLOWS NOTES

(a) Cash generated from operations

	Note	31 March 2026 £000s	31 December 2024 Restated £000s
Cash flows from operating activities			
Operating profit from continuing operations		**3,508**	5,782
Operating profit from discontinued operations	28	**68,519**	4,849
Operating profit		**72,027**	10,631
Adjustments for:			
Depreciation of property, plant and equipment	11	**5,015**	4,270
Depreciation of right-of-use assets	11	**1,930**	1,503
Amortisation of intangible assets	10	**4,666**	3,694
Write off/impairment of intangible assets/PPE from continuing operations		**-**	4,293
Write off/impairment associated with discontinued operations (Halosource)	28	**-**	2,325
(Gain)/loss on disposal of discontinued operations	28	**(61,387)**	203
Loss on disposal of property, plant and equipment		**202**	343
Other non-cash flow items		**1,595**	3,482
Share-based payment transactions	21	**(80)**	343
Net exchange differences		**516**	334
		24,484	31,421
Changes in working capital:			
Change in inventories		**2,252**	(1,704)
Change in trade and other receivables		**3,402**	1,853
Change in trade and other payables		**(3,235)**	4,247
Cash generated from operations		**26,903**	35,817

Other non-cash flow items include inventory provision of £(0.2)m (FY24: £0.7m), capital development impairment £1.9m (FY24: £nil), receivable write off of £nil (FY24: £1.8m), provision for settlements of £nil (FY24: £1.4m), reductions in warranty provision of £nil (FY24: £(0.5)m) and others of £(0.1)m (FY24: £0.1m).

Notes to the Consolidated Financial Statements continued

for the 15-month period ended 31 March 2026

25. STATEMENT OF CASH FLOWS NOTES continued

(b) Movement in net debt

		Non-cash movements			
	At 01 January 2025 £000s	Cash flows £000s	Currency movements £000s	Other movements £000s	At 31 March 2026 £000s
Borrowings, net of loan arrangement fees	(80,037)	74,486	(435)	(583)	(6,569)
Lease liabilities	(3,674)	1,689	(127)	1,531	(581)
Total liabilities from financing activities	(83,711)	76,175	(562)	948	(7,150)
Cash and cash equivalents	15,117	30,345	(201)	-	45,261
Net (debt)/cash	(68,594)	106,520	(763)	948	38,111

		Non-cash movements			
	At 01 January 2024 £000s	Cash flows £000s	Currency movements £000s	Other movements £000s	At 31 December 2024 £000s
Borrowings, net of loan arrangement fees	(105,805)	25,957	45	(234)	**(80,037)**
Lease liabilities	(4,810)	1,847	164	(875)	**(3,674)**
Total liabilities from financing activities	(110,615)	27,804	209	(1,109)	**(83,711)**
Cash and cash equivalents	20,114	(4,492)	(505)	-	**15,117**
Net debt	(90,501)	23,312	(296)	(1,109)	**(68,594)**

26. ULTIMATE BENEFICIAL OWNER

There is not considered to be any ultimate beneficial owner, as the Company is listed on AIM. No single shareholder beneficially owns more than 25% of the Company's share capital.

27. RELATED PARTY TRANSACTIONS

(a) Identity of related parties

Related parties include all of the companies within the Group, however, these transactions and balances are eliminated on consolidation within the consolidated financial statements and are not disclosed.

The Group also operates a defined contribution pension scheme which is considered a related party.

(b) Related party transactions

The following transactions with related parties occurred during the period:

Name of related party	31 March 2026 £000s	31 December 2024 £000s
Transactions with related parties		
Contributions paid to The Strix Limited Retirement Fund (Note 5(c)(i))	**(1,059)**	(755)

Further information is given on the related party transactions below:

- Key management compensation is disclosed in Note 5(b).
- Information about the pension schemes operated by the Group is disclosed in Note 5(c), and transactions with the pension schemes operated by the Group relate to contributions made to those schemes on behalf of Group employees.
- Information on dividends paid to shareholders is given in Note 23.

28. DISCONTINUED OPERATIONS

(a) Description

On 19 December 2025, the Board of Directors publicly announced the proposed Disposal of the Billi division, comprising Strix Australia Pty Ltd and each regional subsidiary and on 30 January 2026, the Board announced that the Disposal was completed.

The Disposal was determined to be the optimal strategy to strengthen the Group's financial position by accelerating debt reduction and returning to a net cash position. This strategic move reduced reliance on debt funding, lowered interest costs, and enabled management to focus on core operations and selective reinvestment, particularly in light of recent macroeconomic challenges and increased leverage.

(b) Financial performance and cash flow information

	13-month period ending 30 January 2026 £000s	12-month period ending 31 December 2024 £000s
Revenue	**48,229**	43,052
Net expenses	**(41,097)**	(34,903)
Operating profit	**7,132**	8,149
Finance costs	**(584)**	(278)
Profit before taxation	**6,548**	7,871
Income tax expense	**(857)**	(1,843)
Profit after taxation	**5,691**	6,028
Profit on sale of the subsidiary before reclassification of foreign currency reserve (see (c) below)	**64,728**	-
Net profit	**70,419**	6,028
Reclassification of foreign currency translation reserve	**(3,341)**	-
Net profit from discontinued operations	**67,078**	6,028
Exchange differences on translation of discontinued operations	**4,019**	(1,622)
Total other comprehensive income from discontinued operations	**71,097**	4,406

Adjusting items from discontinued operations are disclosed in Note 6(b).

Earnings per share from discontinued operations is disclosed in Note 9.

Notes to the Consolidated Financial Statements continued

for the 15-month period ended 31 March 2026

28. DISCONTINUED OPERATIONS continued

(b) Financial performance and cash flow information continued

The net cash flows incurred by Billi are as follows:

	13-month ending 30 January 2026 £000s	12-month period ending 31 December 2024 £000s
Operating	**6,908**	9,847
Investing	**(5,796)**	(1,315)
Financing	**(965)**	(1,023)
Net cash inflow	**147**	7,509

The net cash flow from investing activities includes an outflow of £3.4m from sale of the subsidiary, being the cash and cash equivalents on the balance sheet at Disposal.

(c) Details of the sale of the subsidiary

	2026 £000s
Cash Consideration received*	**108,758**
Transaction costs	**(2,830)**
Completion accounts adjustment**	**(540)**
Carrying amount of net assets sold	**(40,660)**
Profit on sale before income tax and reclassification of foreign currency translation reserve	**64,728**
Reclassification of foreign currency translation reserve	**(3,341)**
Gain on sale	**61,387**

*Cash consideration received in the consolidated cash flow statement of £102.5m, comprises cash consideration received of £108.8m, less £2.8m of transaction costs and £3.4m of cash on Billi balance at time of Disposal.

**At the Period end, a completion accounts adjustment of £0.5m was payable to the buyer and has been recognised within trade and other payables.

(d) Assets and liabilities of disposal group

The carrying amounts of assets and liabilities as at the date of sale (30 January 2026) were:

	30 January 2026 £000s
Assets	
Property, plant and equipment	**9,896**
Intangible assets (including Goodwill)	**34,168**
Trade and other receivables	**7,955**
Inventories	**7,474**
Deferred tax assets	**861**
Cash and cash equivalents	**3,402**
Total assets	**63,756**
Liabilities	
Trade and other payables	**9,333**
Current income tax liabilities	**526**
Future lease liabilities	**6,549**
Deferred tax liabilities	**6,688**
Total liabilities	**23,096**
Net assets	**40,660**

Notes to the Consolidated Financial Statements continued
for the 15-month period ended 31 March 2026

28. DISCONTINUED OPERATIONS continued

Prior period disposal – HaloSource

In the prior period the Group completed the disposal of HaloSource Water Purification Technology (Shanghai) Co. Ltd (known as HSS), a wholly owned subsidiary. The results of this business were presented as discontinued operations in the year ended 31 December 2024. Comparative information has been presented accordingly.

	15-month period ending 31 March 2026 £000s	12-month period ending 31 December 2024 £000s
Revenue		196
Net expenses	-	(692)
Operating loss	**-**	(496)
Finance costs	-	(11)
Loss before taxation	**-**	(507)
Income tax expense	-	-
Loss after taxation before adjusting items		(507)
Loss on sale of the subsidiary before reclassification of foreign currency reserve (see (c) below)	-	(225)
Impairment loss recognised before classification to held for sale (see Note 6(b))	-	(2,325)
Redundancy/re-organisation costs (see Note 6(b))	-	(280)
Adjusting items	**-**	(2,830)
Reclassification of foreign currency translation reserve	-	22
Loss from discontinued operations	**-**	(3,315)
Exchange differences on translation of discontinued operations	-	(22)
Total other comprehensive expense from discontinued operations	**-**	(3,337)

The net cash flows incurred by HSS are as follows:

	2024 £000s	2023 £000s
Operating	**(418)**	(203)
Investing	**(896)**	(344)
Financing	**(133)**	(45)
Net cash outflow	**(1,447)**	(592)

The net cash flow from investing activities includes an outflow of £0.6m from sale of the subsidiary.

Details of the sale of the subsidiary

	2024 £000s
Consideration received	-
Carrying amount of net assets sold	(225)
Loss on sale before income tax and reclassification of foreign currency translation reserve	(225)
Reclassification of foreign currency translation reserve	22
Income tax expense	-
Loss on sale after income tax	**(203)**

The carrying amounts of assets and liabilities as at the date of sale (30 November 2024) were:

	30 November 2024 £000s
Assets	
Property, plant and equipment	112
Net investments in finance leases	7
Trade and other receivables	337
Cash and cash equivalents	605
Total assets	**1,061**
Liabilities	
Trade and other payables	(744)
Future lease liabilities	(92)
Total liabilities	**(836)**
Net assets	**225**

29. POST BALANCE SHEET EVENTS

The following events have occurred after the reporting period:

Shareholder returns

On 9 April 2026, a Tender Offer was launched for the return of capital up to £10.0m. It was subsequently announced on 5 May 2026, that the Tender Offer had been fully taken up at the Tender Offer Price of 43 pence, therefore successfully returning £10.0m to shareholders, with payment made by 14 May 2026.

On the 9 July 2026, with the successful completion of the Tender Offer and the appointment of Andy Rainforth as the Group's new CEO secured, Strix announced a pausing of the £10m share buyback programme launched on 4 February 2026, as a prudent next step whilst the Group assesses its strategy going forward.

As at 9 July 2026, 8,930,325 ordinary shares were purchased under the buyback programme for an aggregate consideration of c.£3.7m, at an average price of c.41.2 pence per share.

Closure of Ramsey

On 28 May 2026, the Company communicated internally its plan to close the manufacturing facility in Isle of Man, migrating operations over to its facility in China. The costs of closure will be confirmed once the Group has undergone a full consultation with all those affected.

Other Supplementary Information

Alternative Performance Measures

The consolidated financial statements include both GAAP measures and Alternative Performance Measures (APMs), the latter of which are considered by management to allow the readers of the consolidated financial statements to understand the underlying trading performance of the Group. A number of these APMs are used by management to measure the KPIs of the business and are therefore aligned to the Group's strategic aims. They are also used at Board level to monitor financial performance throughout the period. The APMs used in these consolidated financial statements (including the basis of calculation, assumptions, use and relevance) are detailed in Note 2 (EBITDA and adjusted EBITDA – non-GAAP alternative performance measures) and below.

Constant Exchange Rate (CER) figures

These are used predominantly in the financial review and give the readers a better understanding of the performance of the Group, regions and entities from a trading perspective. They have been calculated by translating the PE26 income statement results (of subsidiaries whose presentational currency is not Pound sterling) using FY24 average annual exchange rates to provide a comparison which removes the foreign currency translational impact. The impacts of translational gains and losses made on non-functional currency net assets held around the Group have not been removed.

Adjusted operating margin/EBIT margin

Adjusted operating margin is used in the financial review to give the reader an understanding of the performance of the Group. It is calculated by dividing adjusted operating profit (see return on capital employed section for reconciliation to operating profit) by adjusted revenue in the Period.

Adjusted diluted EPS

A key measure for the Group to understand the underlying earnings per share. The calculation has been disclosed in Note 9.

Adjusted profit before tax

A key measure for the Group to understand underlying results before taxes. The adjustments made to arrive at adjusted profit before tax are detailed below.

Adjusted profit before tax and adjusting items

	31 March 2026 £000s	31 December 2024 Restated £000s
Adjusted profit before taxation from continuing operations	**2,124**	9,512
Adjusting items in revenue: settlements	**-**	(2,200)
Adjusting items in cost of sales: restructuring/rebasing	**(2,084)**	(818)
Adjusting items in administrative expenses:		
Restructuring/rebasing	**(2,199)**	(7,724)
Mergers and acquisitions	**-**	(28)
Strategic review	**(1,670)**	-
Settlements	**93**	(1,096)
Amortisation charges on acquired intangible assets	**(256)**	(203)
Share-based payments	**80**	(343)
Adjusting items in finance costs: strategic review	**(498)**	-
Total adjusting items	**(6,534)**	(12,412)
Loss before taxation – continuing operations	**(4,410)**	(2,900)

	31 March 2026 £000s	31 December 2024 Restated* £000s
Adjusted EBITDA from continuing operations	**17,863**	24,712
Adjusting items in revenue: settlements	**-**	(2,200)
Adjusting items in cost of sales: restructuring/rebasing	**(2,084)**	(818)
Adjusting items in administrative expenses:		
Restructuring/rebasing	**(270)**	(3,431)
Mergers and acquisitions	**-**	(28)
Settlements	**93**	(1,096)
Strategic review	**(1,670)**	-
Share-based payments	**80**	(343)
EBITDA	14,012	16,796
Amortisation charges on acquired intangible assets	(256)	(203)
Depreciation and non acquired amortisation	(8,319)	(6,518)
Write off/impairment of non-current assets	(1,929)	(4,293)
Operating profit from continuing operations	**3,508**	5,782

Adjusted cash conversion as a percentage of adjusted EBITDA

This is another key metric used by investors to understand how effective the Group was at converting profit into cash. The adjustments made to arrive at adjusted cash conversion from cash generated from operations are detailed below. To reconcile operating profit to underlying EBITDA, refer to adjusted profit before tax and adjusting items section.

	31 March 2026 £000s	31 December 2024 £000s
Adjusted cash conversion	**21,383**	28,244
Adjusting items in revenue: settlements	**-**	(1,000)
Adjusting items in cost of sales: restructuring/rebasing	**(2,228)**	(268)
Adjusting items in administrative expenses:		
Restructuring/rebasing	**(155)**	(1,956)
Settlements	**(107)**	(879)
Strategic review	**(1,670)**	-
M&A	**-**	(28)
Cash generated from operations before tax paid from continuing operations	**17,223**	24,113

Other Supplementary Information continued

Alternative Performance Measures continued

Net debt to adjusted EBITDA (net debt ratio)

This removes the impact of IFRS 16 Leases and accrued interest from net debt and impact of IFRS 16 Leases from adjusted EBITDA in line with definitions in our banking facility agreement. Adjusted EBITDA is reconciled to operating profit, refer to adjusted profit before tax and adjusting items section.

	31 March 2026 £000s	31 December 2024 £000s
Net (cash)/debt (less cash and cash equivalents)	**(38,111)**	68,594
Right of use lease liabilities	**(581)**	(3,674)
Accrued interest	**(55)**	(1,237)
Bank net (cash)/debt	**(38,747)**	63,683

	31 March 2026 £000s	31 December 2024 £000s
Adjusted EBITDA from continuing operations	**17,863**	24,712
Right of use depreciation	**(694)**	(660)
Bank adjusted EBITDA	**17,169**	24,052

Adjusted return on capital employed (ROCE)

Return on capital employed is a key metric used by investors to understand how efficient the Group is with its capital employed. It represents earnings before interest and tax against the money that is invested in the business. The numerator is adjusted operating profit which has been reconciled to operating profit below. Capital employed is calculated as total assets less current liabilities. Adjusting items have been removed to aid understanding of the underlying performance of the Group.

	31 March 2026 £000s	31 December 2024 £000s
Adjusted operating profit from continuing operations	**9,544**	18,194
Adjusting items in revenue: settlements	**-**	(2,200)
Adjusting items in cost of sales: restructuring/rebasing	**(2,084)**	(818)
Adjusting items in administrative expenses:		
Restructuring/rebasing	**(2,199)**	(7,724)
Mergers and acquisitions	**-**	(28)
Strategic review	**(1,670)**	-
Settlements	**93**	(1,096)
Amortisation charges on acquired intangible assets	**(256)**	(203)
Share-based payments	**80**	(343)
Operating profit from continuing operations	**3,508**	**5,782**

Working capital as a percentage of revenue

This is calculated as current assets excluding cash, less current liabilities excluding current portions of lease liabilities and borrowings as a percentage of Group revenue. It is a KPI for the Group as it remains a key focus to ensure efficient allocation of capital on the balance sheet to improve quality of earnings and reduce the additional investment needed to support organic growth.

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