

FW THORPE PLC



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Welcome to our 2026 Annual Report

Who we are

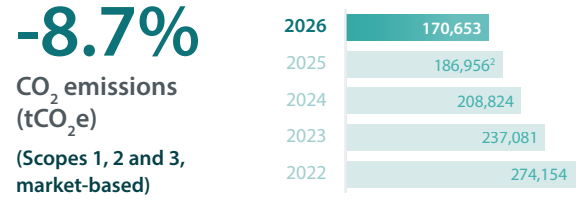
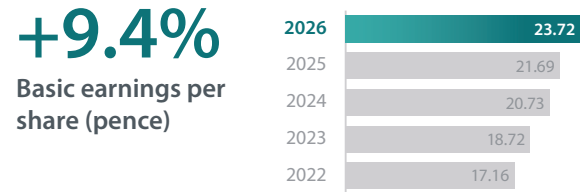
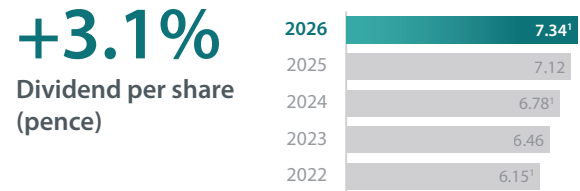
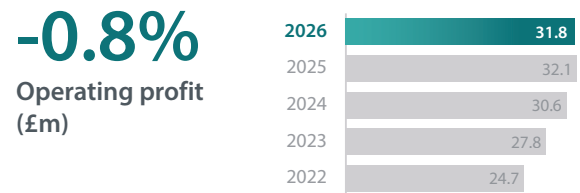
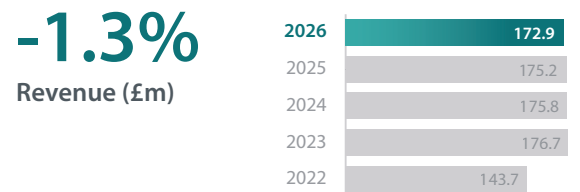
We specialise in designing and manufacturing professional lighting systems. We currently employ over 1,000 people and although each company works autonomously, our skills and markets are complementary.



Visit us online at:
www.fwthorpe.co.uk



Financial highlights



Operational highlights

- Stand out performances from Zemper, Famostar and Solite
- Disappointing results at Lightronics and Schahl, action plans in progress
- Majority of other businesses delivered an improved performance

¹ 2026, 2024 and 2022 dividends exclude special dividends
² Restated to reflect updated information previously unavailable

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90 Years of Heritage

Innovation shaped by a proud history



In 2026, Thorlux Lighting, the founding company of FW Thorpe Plc, proudly celebrated its 90th anniversary. Established in 1936 by Frederick William Thorpe in Small Heath, Birmingham, Thorlux has grown from a modest manufacturing operation into one of the UK's most respected lighting brands and the cornerstone of an international lighting group.

From its earliest days, the business was built on the strong values of engineering excellence and a belief in doing the right thing for customers and employees alike. Those principles have shaped the Group's development over nine decades and continue to guide its strategy today.

Through the years...



1936 – 1950s

Foundations in Birmingham

Thorlux was founded in Small Heath, Birmingham, at a time when Britain's manufacturing sector was expanding rapidly.

Demand for robust, well-engineered lighting products quickly outpaced the capacity of the original premises, prompting a move to larger facilities in nearby Hall Green. Even in these formative years, the company established a reputation for durability and technical integrity, traits that would become hallmarks of the brand.

The post-war rebuilding period of the late 1940s and 1950s brought new opportunities as industrial and commercial construction accelerated across the UK. Thorlux responded by expanding its product range and manufacturing capability to serve a broader market.



1960s – 1980s

Expansion and specialisation

By 1963, continued growth led to relocation to a purpose-built facility in Kings Norton, Birmingham. This move marked an important step forward, enabling greater production capacity and improved manufacturing efficiency.

During this period, the company increasingly focused on specialist lighting applications, building expertise in sectors where performance and reliability were critical. The business also began laying the foundations for what would become the wider FW Thorpe Group structure.

The late 20 century saw major technological shifts within the lighting industry, particularly the transition from traditional lamp technologies to more efficient fluorescent systems. Thorlux invested consistently to remain competitive, reinforcing its reputation for engineered quality.



1989

Establishing the Redditch base

A significant milestone came in 1989 when Thorlux moved to its current headquarters and manufacturing facility in Redditch, Worcestershire. This purpose-built site provided the platform for the company's modern era of growth.

The Redditch facility enabled:

- Greater vertical integration in manufacturing
- Enhanced research and development capability
- Improved logistics and customer responsiveness
- Capacity to support expanding export activity

This move positioned Thorlux strongly for the technological transformations that would follow in the decades ahead.



2000s –2010s

The LED and controls revolution

The early 21st century brought one of the most significant shifts in lighting history: the rapid adoption of LED technology. Thorlux invested early in LED development, optical design and thermal management, ensuring its products delivered both performance and longevity.

Alongside the LED transition, the company advanced its work in intelligent lighting controls. The development of the SmartScan system marked a major step forward, enabling buildings to reduce energy consumption while improving user experience.

In parallel, the business strengthened its environmental credentials, including the launch of an ambitious carbon offsetting programme in 2009, well ahead of many industry peers.

Recognition followed, including the Queen's Award for Enterprise in Innovation in 2019 for SmartScan.



Investing in people and communities

At its heart, FW Thorpe remains a people business. Many employees have spent decades with the Group, reflecting a culture of loyalty, opportunity and shared purpose. Apprenticeships, professional development and technical training continue to ensure that knowledge is passed on to the next generation.

Beyond the workplace, the Group supports community initiatives, education programmes and charitable partnerships. As it enters its tenth decade, Thorlux recognises that its success is closely linked to the community in which it operates.

Ninety years on, the foundations remain the same: quality engineering, long-term thinking and a commitment to doing things the right way.



A commitment to sustainability

As the lighting industry has increasingly focused on environmental responsibility, FW Thorpe has embraced the challenge. The Group has committed to science-based targets aligned with a net-zero ambition by 2040, investing in energy efficiency, renewable generation and carbon reduction initiatives across its sites.

Current priorities include:

- Designing luminaires for longevity and circularity
- Reducing operational carbon across manufacturing sites
- Increasing the use of renewable energy
- Supporting customers to lower energy consumption through intelligent lighting



2020s

Smart, sustainable and future-focused

In recent years, Thorlux has continued to lead through innovation. Developments such as SmartScan Analytics, advanced emergency lighting solutions, and ongoing work in areas such as disinfection lighting demonstrate the company's commitment to forward-thinking engineering.

This focus on innovation has been supported by sustained investment in UK manufacturing, research and development, and digital capability.



Beyond the expected

At FW Thorpe, we don't just make lighting – we lead with purpose, scale with confidence and build enduring value across every cycle.

Our Purpose

Provide technically advanced lighting solutions that deliver long-term lowest cost of ownership.

Our Vision

Maintain a consistently respected and profitable organisation with an environmental conscience.

Our Values



Longevity

We have a long history and we genuinely care about our people, their professional development and work-life balance. Our employees are our most important assets.



Integrity

Striving to make the right decisions for all of our stakeholders and our planet.



Honesty

We honour our commitments and aim to deliver them in a dedicated and respectful manner.

Our Growth Mindset

The Group management team is passionate about developing the business for the benefit of the shareholders, employees and customers. With the energy and ability of our staff we look forward to the future with enthusiasm.

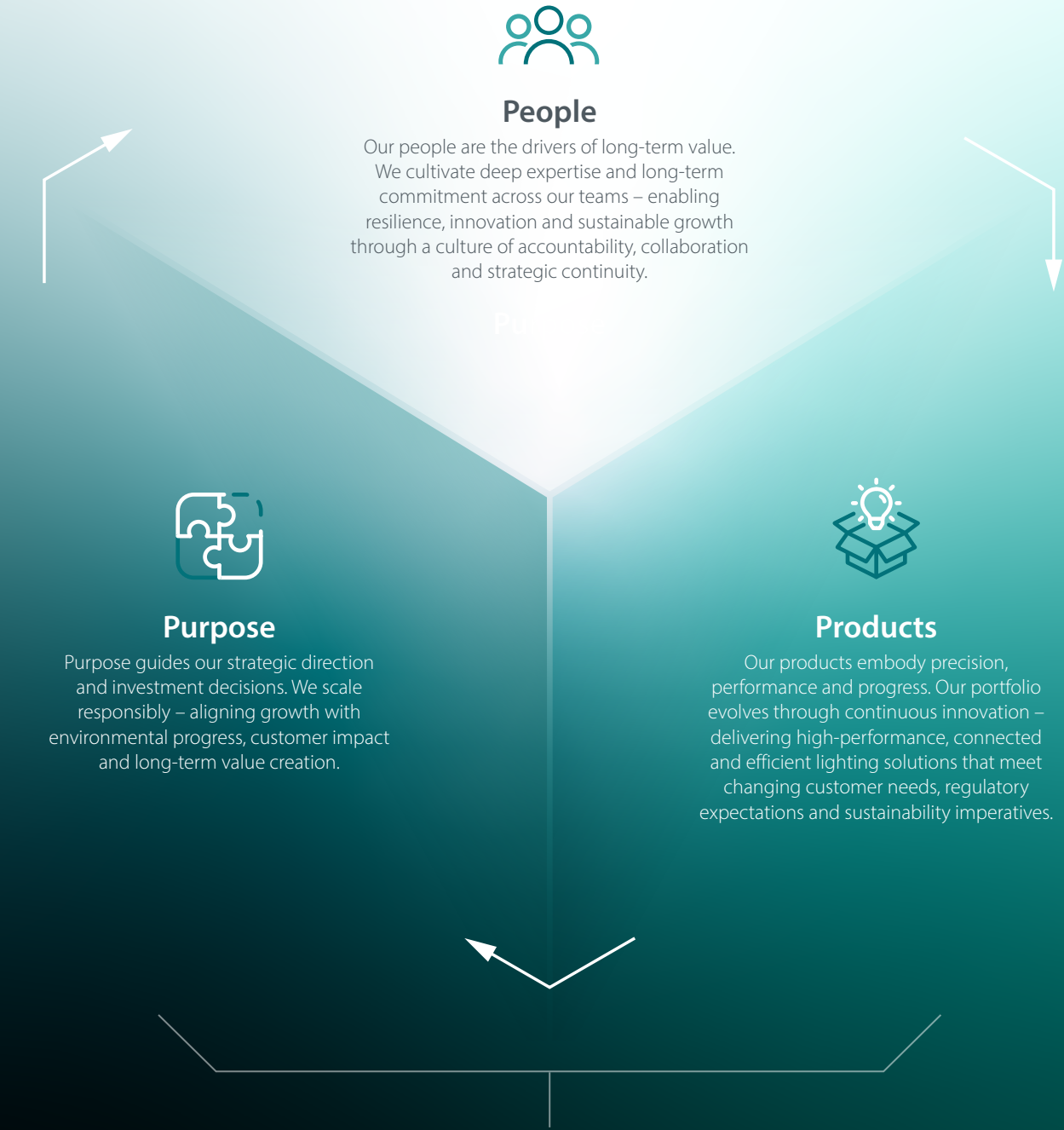
Our aim is to create shareholder value through market leadership in the design, manufacture and supply of professional lighting systems.

We focus on long-term growth and stability, achieved by delivering market-leading products, backed by excellent customer service.



Our Growth Mindset

People, **product** and **purpose** form the engine of our strategic mindset – enabling us to deliver long-term value, earn trust and lead with clarity in a changing market.



Powered by Our People

Innovation begins with talent – our people make the future possible.

Product Leadership

Leading through innovation, delivering lighting solutions that shape smarter, safer and greener spaces.

Our Purpose

Family-founded. People-driven. Purpose-led. We build more than lighting – we build lasting relationships, grounded in longevity, integrity, and honesty.

Our investment case



01

Where Innovation

Product Innovation

Product design and development is fundamental to our operations.

- We maintain a competitive advantage with market-leading products, utilising technology to attract new customers and retain them.
- We engage in continuous product development – products, software/controls, and lighting design.
- We have also focused on the further development of our SmartScan wireless system.
- In addition, our diversified product portfolio gives us the ability to supply a complete project – from “boiler room to boardroom and beyond”.

£2.9m

Group spend on capitalised R&D this year

(2025: £2.6m)

02

Meets Responsibility

Sustainability Leadership

Environmental issues are a significant focus for us.

- Energy saving products are a substantial part of the business, as well as our carbon offsetting programme; we continue to invest in solar to reduce our emissions.
- We invest in installing solar panels and other technology across the UK, Spain and the Netherlands manufacturing facilities; and we monitor CO₂ emissions.
- We have family principles and a supportive culture.
- Our employees are fundamental to our success.
- We support local communities by giving to charities – this year, we gave £28,000.
- We carry the LSE Green Mark.
- We continue to plant trees as part of our carbon offsetting programme.

370 tonnes

of CO₂e offset from solar panels

(2025: 435 tonnes)



03

Sustained Value

Strong Financials

We maintained profitability this year despite challenging economic conditions with revenue of £172.9m and operating profit of £31.8m. In addition, we had net cash generated from operating activities of £30.8m.

- We continue to explore further mergers and acquisitions, driven by strategic opportunities in new territories or technologies.
- Profitable growth at Zemper, Famostar and the majority of UK companies.
- Continued investment in selling resources by territory and sector.
- Revenue growth – Compound Growth Rate, including acquisitions across the last five years of 8.0%, ten years of 6.9% and 15 years of 8.2%.



Read more about our Operational and Financial Review on [pages 36 to 47](#)

£30.8m

Net cash generated from operating activities

(2025: £33.2m)



04

Sustainable Futures

Sustainable Growth

Means we are positioned for sustainable, long-term growth. Providing long-term value for us and for our stakeholders.

- A well-positioned portfolio of companies across eight countries, serving many market sectors, means that we have resilience in the current economic climate and a strong direction for the future.
- A strong track record of 24 consecutive years of dividend growth, a robust balance sheet, cash reserves, property holdings and minimal debt, reinforces our ability to invest confidently and responsibly for long-term success.

7.34p

Dividend per share

(2025: 7.12p)



What we do

The Complete Service Offering We Provide

Design and development

We allocate resources and human capital to the continuous development of lighting products such as software, controls and design, ensuring we meet evolving market demands and requirements.

£2.9m

Group spend on capitalised R&D

(2025: £2.6m)

Manufacturing

We operate multiple manufacturing sites across the UK, and our factories in the Netherlands and Spain enable us to meet European demand. We continue to invest in our manufacturing facilities.

£2.9m

Investment in plant & machinery

(2025: £1.8m)

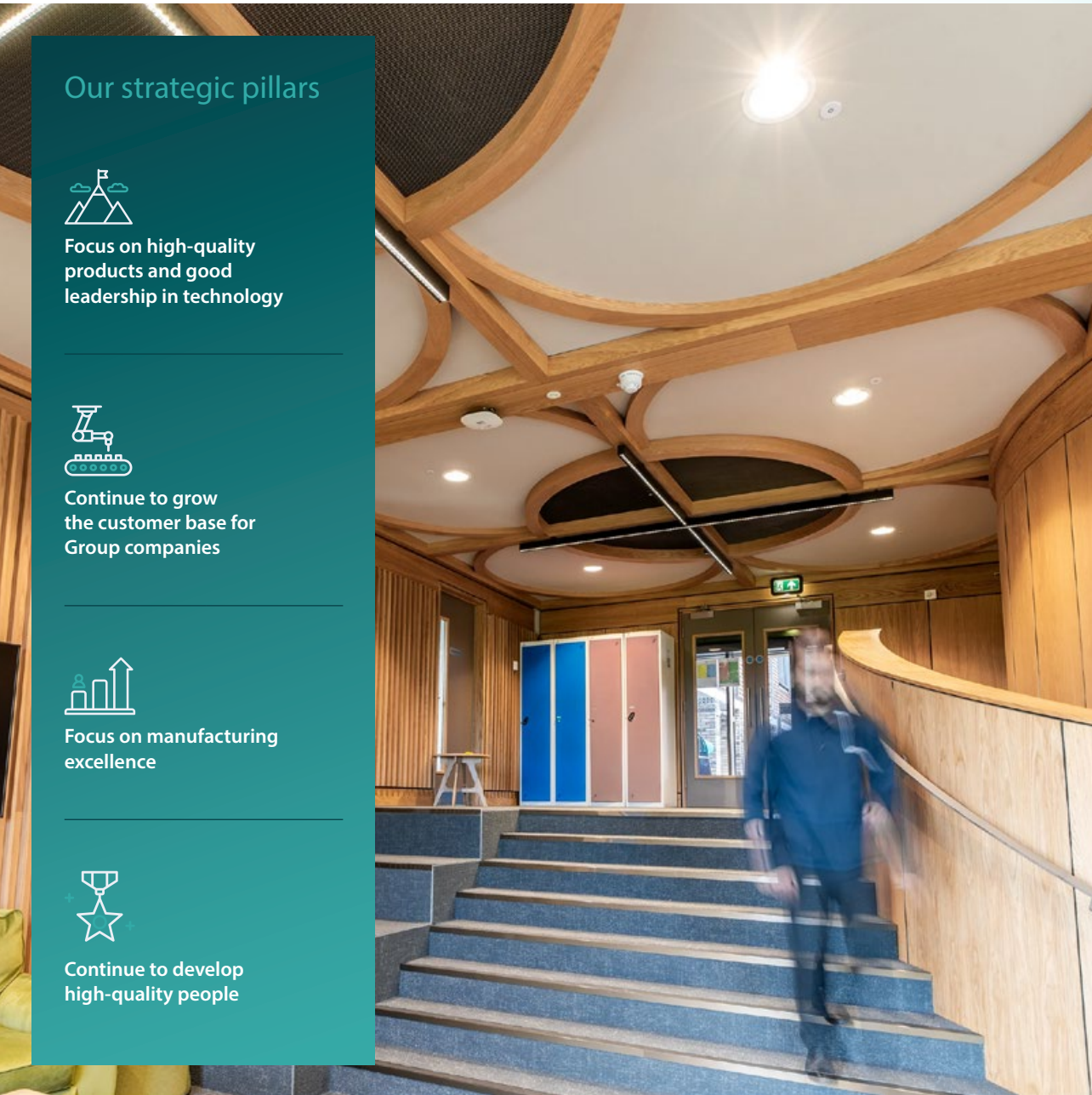
Services

Our services range from surveying, lighting design through to commissioning and after-sales service. We support our customers throughout the product lifecycle.

£8.4m

Revenue from lighting services

(2025: £8.2m)



Our strategic pillars



Focus on high-quality products and good leadership in technology



Continue to grow the customer base for Group companies

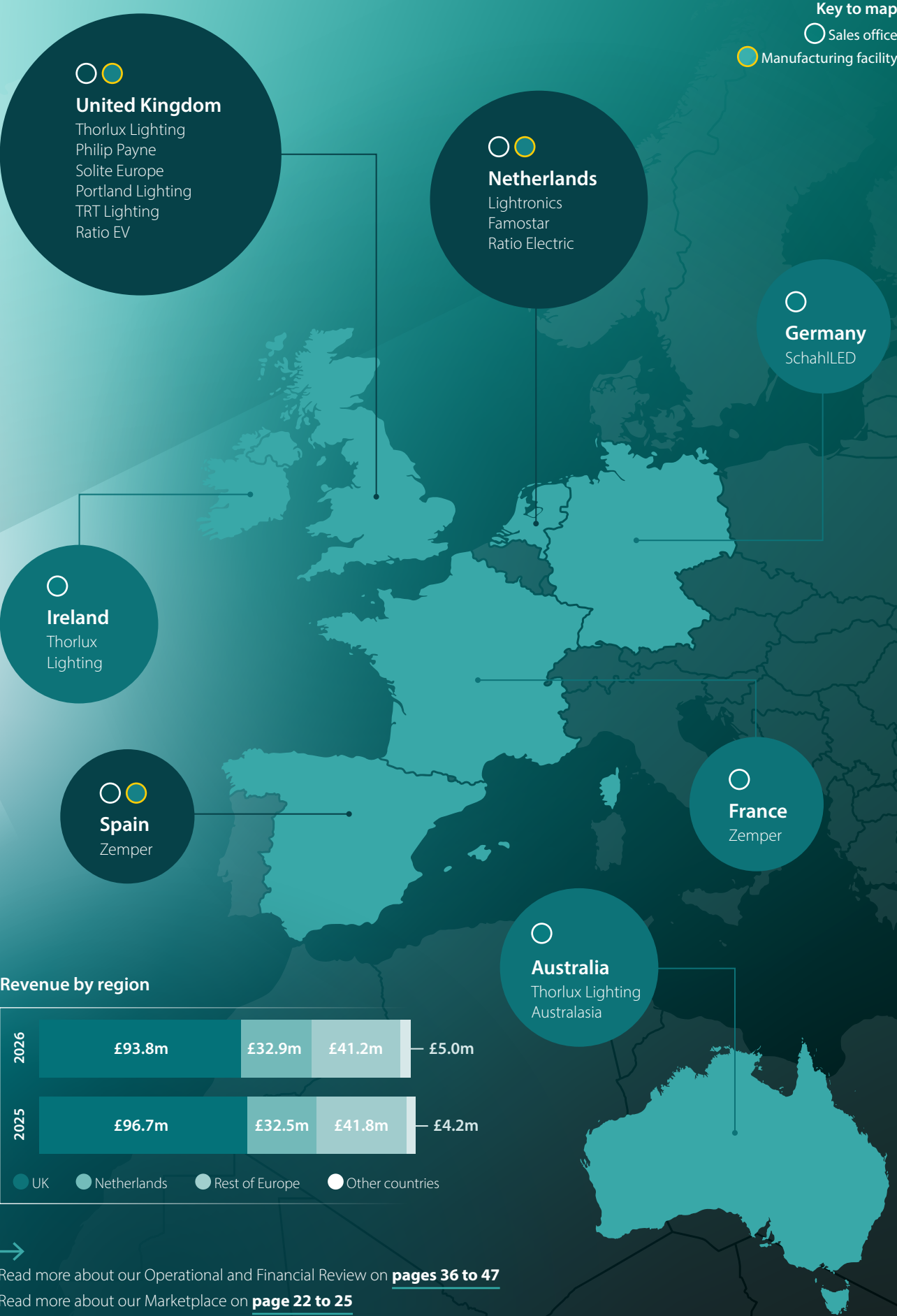


Focus on manufacturing excellence



Continue to develop high-quality people

Our global footprint



FW THORPE AT A GLANCE

Our businesses



Description

Thorlux luminaires have been manufactured continuously since 1936, the year Frederick William Thorpe founded the Company.

The Company now operates from the Group's modern 16,882m² self-contained factory in Redditch, Worcestershire, central England.

Thorlux is well known throughout the world and provides a comprehensive range of professional lighting and control systems for a wide variety of applications.

Key products

- Recessed, surface and suspended luminaires
- Emergency lighting systems
- Hazardous area lighting
- High and low bay luminaires
- Lighting controls
- Exterior lighting

Market sectors

- Commercial
- Education
- Manufacturing
- Industrial
- Healthcare
- Retail, display and hospitality



Description

Zemper was established in 1967 and is a leading emergency lighting systems specialist, delivering fully in-house solutions across design, manufacturing and commissioning.

With innovation at its core, it develops next generation emergency lighting systems, integrating connectivity, centralised monitoring and adaptive system intelligence.

Based in Ciudad Real, Spain, the company combines a global vision with local execution through its commercial network. With over 35 years of international experience, it operates in more than 25 countries, with domestic markets in Spain, Portugal, France and Belgium.

Key products

- Emergency general illumination
- Emergency exit signage
- Emergency lighting systems
- Lighting controls

Market sectors

- Commercial
- Education
- Infrastructure
- Industrial
- Healthcare
- Retail, display and hospitality



Description

Based in Waalwijk, Netherlands, Lightronics specialises in the development, manufacture and supply of external and impact resistant lighting, which includes street lighting, outdoor wall and ceiling luminaires as well as control systems. The majority of its revenue is derived from the Netherlands, but there is also an export presence in other European locations.

Lightronics was originally established in 1946 and has a strong tradition of solid, reliable products as well as being known for its innovation.

Products are environmentally friendly in terms of energy use as well as in the prevention of light pollution.

Key products

- Road lighting
- Amenity lighting
- Exterior lighting
- Lighting controls

Market sectors

- Infrastructure
- Housing
- Facilities



Description

Based in Velp, Netherlands, Famostar specialises in the development, manufacture and supply of emergency lighting products. Revenue is derived from the Netherlands, where it is considered one of the foremost brands in the market.

Famostar was originally established in 1947, with each product being designed and manufactured at its own production facility.

Famostar has a reputation for designing and manufacturing reliable luminaires offering solutions for sectors including commercial, industrial, education and retail applications.

Key products

- Emergency exit signage
- Emergency lighting systems

Market sectors

- Commercial
- Education
- Industrial
- Retail, display and hospitality



Description

SchahLED Lighting is a full-service provider of intelligent LED solutions for the industrial and logistics sectors with six decades of lighting and 20 years of LED experience.

The company is based in Unterschleißheim near Munich and has sales representatives across Germany. As both a manufacturer and full-service provider, SchahLED plans lighting concepts and supplies intelligent LED lighting systems.

Key products

- Recessed, surface and suspended luminaires
- Hazardous area lighting
- High and low bay luminaires
- Lighting controls
- Exterior lighting

Market sectors

- Manufacturing
- Industrial
- Logistics



Road, tunnel and exterior lighting.

Key products

- Road and tunnel lighting
- Amenity lighting

Market sectors

- Infrastructure
- Facilities



Hospitality, retail and sign lighting.

Key products

- Lighting for signs
- Road safety lighting

Market sectors

- Retail
- Advertising
- Hospitality
- Infrastructure



Cleanroom, custodial and healthcare lighting.

Key products

- Cleanroom & Custodial luminaires

Market sectors

- Pharmaceutical
- Education
- Healthcare
- Research and development
- Custodial



Emergency lighting and signage solutions.

Key products

- Emergency exit signage
- Emergency lighting systems

Market sectors

- Commercial
- Hospitality
- Healthcare

Strategic Report

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C3 Logistics Centre Bremen, Germany SchahLED Lighting

Supporting the building's holistic energy strategy, the Thorlux SmartScan lighting system installed at the C3 Logistics Centre uses intelligent occupancy and daylight sensing to provide optimal lighting levels, enhance energy efficiency, and help minimise electricity consumption and costs.

Chairman's statement

// Product innovation remains a key pillar of strength for FW Thorpe Plc, as has been the case since the company's inception in 1936. Thorlux's flagship lighting control system, SmartScan, used extensively also across the Group, will be released with a major update in autumn 2026."

Mike Allcock, Chairman

Group results

Against the backdrop of slow UK and EU general lighting markets, where a number of our competitors have reported sizeable reductions in performance, I am satisfied to report that FW Thorpe Plc's consolidated revenue for the 2025/26 financial year was broadly in line with the prior year at £173m, while profit before tax increased by 2.5% to £32m. Although I would naturally prefer to report stronger growth, achieving a modest profit improvement in these market conditions gives me confidence that the Group's companies remain generally in good shape, notwithstanding the usual variations in performance across individual subsidiaries.

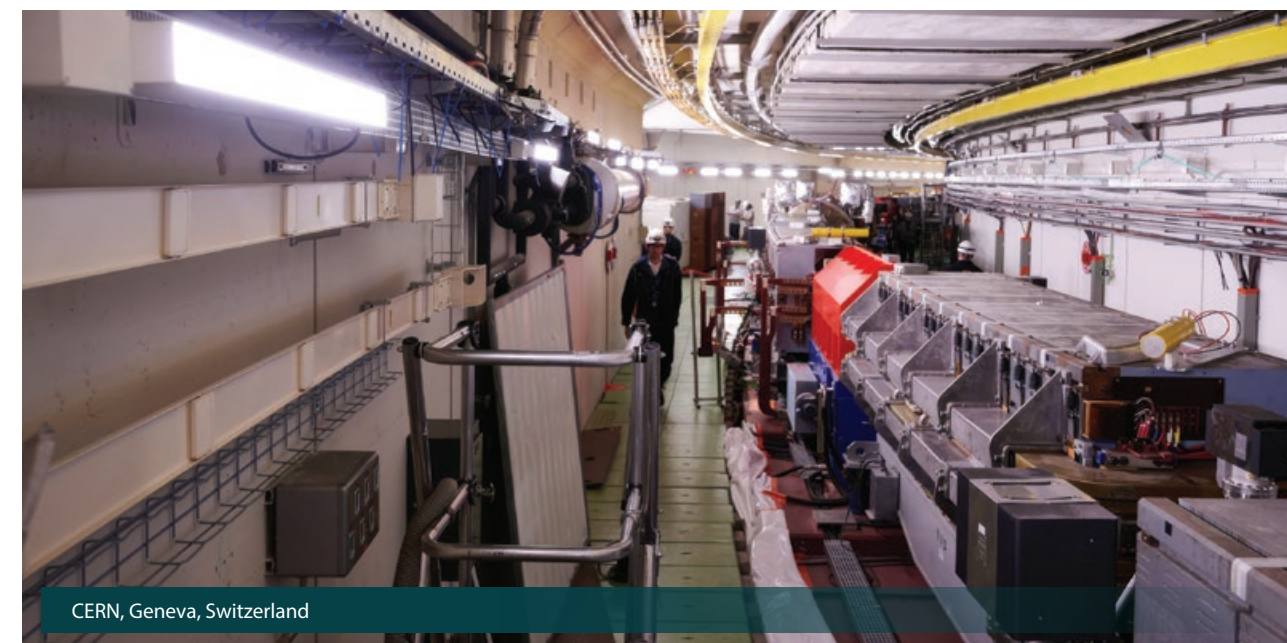
The Group's standout performers were Zemper, Famostar and Solite. Zemper, the Group's innovative Spanish emergency lighting brand, increased its profits by over 40%; Famostar, the Dutch emergency lighting business, once more achieved solid profitable growth; and Solite, the specialist cleanroom lighting brand based in Stockport, exceeded a £1m operating profit for the first time in its history.

Elsewhere, Thorlux, the Group's main general lighting manufacturer, did not grow during the financial year but achieved good operating margins. The joint venture EV charging project, Ratio EV, following previous investments, has now returned to profitability for the last six months at its main division in the Netherlands and at its UK startup. With further new products coming soon, I hope these will provide

significantly reduced product costs and thus reap the rewards of increased sales activity and revenue. I am also pleased to report that TRT, the Group's UK street and tunnel lighting manufacturer, returned to profitability after a difficult period and entered the current financial year having won the largest order in the Group's history, to be shipped over the coming two years.

These gains were mostly offset by more subdued performance elsewhere. The largest impacts on Group operating profit were a reduction at Lightronics in the Netherlands across its wall and ceiling and outdoor lighting segments, and a similar decline at SchahLED, Thorlux's German smart lighting subsidiary. Philip Payne, the UK specialist architectural emergency exit sign producer, also delivered a lower performance following reduced order intake, principally from one larger customer. Portland Lighting, after some years of decline due to its reliance on the retail sector, continued to grow its revenues but is experiencing short-term growing pains as the business expands to support the large range of new products for its new road sign lighting market, resulting in a lower profit.

Action plans have been put in place for all companies, those reporting a downturn having a more pressing agenda and recovery target set by members of the Group Board. In the case of Lightronics, a new commercial leader joined its local board in September 2026 to replace the previous incumbent who left the business two years ago. In the case of SchahLED, some reasons for its reduction in profits as reported this year are the cost burdens of its recovery plan already in action, for example employing further sales engineers in various German districts, and of diversifying its sales activity beyond its recession-hit heavily industrial-biased market.



CERN, Geneva, Switzerland

Further details of each company and its activities are reported in the Group Company Overview section of this year's annual report and accounts.

The Group has managed recent technological changes well, in various aspects of lighting technology from integration of wireless solutions for lighting controls to new improved emergency lighting solutions. It has successfully improved performance at some of its smaller businesses and has managed to exploit synergies amongst its subsidiaries, but has struggled again to get all companies to step forward in unison. The Group's breadth of coverage – be that geographical or by market segment – helps to iron out large bumps in the road, but tends to leave plenty of smaller challenges every year to address.

The Group's procurement teams remain under considerable pressure as they balance the need to maintain appropriate stock levels in turbulent supply conditions with the requirement to keep purchase prices competitive. In recent years, the teams have done a good job securing cost deflation across many parts of the Group; however, looking ahead, cost increases appear likely, particularly for electronic components and items sourced from more distant locations. Stock increases during the year reflected deliberate decisions to strengthen supply security and maintain high service levels, whilst continuing to manage obsolescence risk carefully. Certain higher-risk products, including critical injection mouldings previously purchased from outside the Group, have now been insourced from Zemper's injection moulding facility in Spain.

As reported last year, people costs continue to rise across the Group, driven by mandated minimum pay increases and collective agreements in certain EU

countries. As usual, increases applied to lower pay grades also affect higher wage grades through associated wage differentials. Despite ongoing wage inflation, reductions in material costs and careful control of expenses have enabled the Group to improve its profit margins slightly.

Manufacturing efficiency investments continue, particularly at the Thorlux factory in Redditch. During the year, £0.5m was invested in new laser welding technology which improves process efficiency by reducing the need for dressing whilst also enhancing the visual quality of the finished joint. In addition, two new CNC panel bending machines were commissioned in spring 2026, and the factory's low-voltage switchgear was fully replaced and upgraded, together with the installation of a large standby generator to maintain numerous critical functions in the event of a power outage.

During the year, the Board authorised share buybacks within the limits approved at last year's annual general meeting. This enabled the Group to take advantage of the recent slowdown in its valuation alongside wider AIM market valuations which have reflected a range of factors including the anticipated, and subsequently confirmed, reduction in inheritance tax relief provisions. The buybacks, totalling £11.8m during the financial year, represent a measured deployment of part of the Group's cash resources and partly account for the reduction in reserves from £61.8m to £55.4m. The Board remains satisfied that this level of reserves, while not excessive, continues to provide ample headroom for financial security, further buybacks and for potential acquisitions, should suitable opportunities arise.

New products

Product innovation remains a key pillar of strength for FW Thorpe Plc, as has been the case since the company's inception in 1936. Thorlux's flagship lighting control system, SmartScan, used extensively also across the Group, will be released with a major update in autumn 2026 and is named internally as 'generation 3'. This enormous task has involved every printed circuit being updated to include new improved microprocessors, and every software set has been extensively updated too. The changes, which it is hoped will last for several years before the next release, will provide a faster wireless network, enabling more information flow, and new security features like market leading AES-256 encryption; over-the-air updating of software will enable faster product launches and ongoing customer performance updates. The launch is coupled with a new powerful and secure website and AWS cloud database, all in compliance with ISO 27001, the internationally recognised standard for maintaining and continually improving an information security management system. The Thorlux Application Centre, at the head office in Redditch UK, has undergone a major refurbishment and contains a suite dedicated to presenting SmartScan's features and benefits to clients.

Zemper's ALIOTH system is an innovative emergency lighting solution that can adapt to changing conditions during the evacuation of a building. By using a configurable electronic TFT display rather than a permanently printed panel, the system can update escape-route instructions dynamically. For example, if the normal escape route is blocked by fire, an alternative route can be calculated and all relevant signs can change their directional instructions wirelessly to guide

Chairman's statement continued



Isar Aerospace, Munich, Germany

occupants accordingly. The first large-scale order was for a phase of a major EU airport refurbishment, where the system has been very well received following successful commissioning. Further projects are now being progressed, with additional orders expected.

The Group continues to explore more sustainable materials, and I am pleased that the Group's innovation team has mastered the use of cork for the bodies of selected luminaires, including the new Corkia emergency lighting range, which is due to be launched by both Zemper and Thorlux in late autumn 2026. Cork is a particularly sustainable material: it is harvested from the bark of trees grown mainly in Portugal and Spain, and once the bark has been removed the tree regenerates new bark over the following 15 years or so without being harmed. Once processed, cork is a robust and versatile material, suitable for many indoor and outdoor applications. Those of us old enough may recall that cork was widely used in motor engine gaskets, where it performed reliably under demanding conditions. With the wine industry in some situations moving away from virgin cork for bottle stoppers, excess raw material is available. Cork components

are lower cost than comparable wooden parts, and tooling costs are surprisingly modest when compared with those of plastic component manufacture. The Group is in the process of protecting this concept across the EU with suitable patent applications.

Sustainability

Planting at the Group's Brook Woodland carbon offsetting site is now complete, with 130,600 trees, representing more than 20 different species, successfully established. Alongside carbon sequestration, which is now 'in the bank' for the Group for many years to come, the project aims to enhance biodiversity and create valuable habitats for native wildlife, plants and fungi. Twelve leaky dams have been installed across the site's watercourses to temporarily hold back water during periods of heavy rainfall, reduce downstream flood risk and support wetland habitats. Public access is also central to the project, with accessible footpaths made from locally sourced stone now in place. The next phase will include the installation of picnic benches made from recycled materials and some educational signage, further enhancing the woodland for people to enjoy. My thanks again to the Department for

Environment, Food and Rural Affairs for its generous England Woodland Creation Offer grant, via the Forestry Commission, together with its support to pull off such an ambitious project.

The Group's sustainability programme continues, notwithstanding some broader public commentary questioning the sense of net-zero commitments. I therefore think it is worth restating the Board's approach: to deliver environmental benefits through improved efficiency. When manufacturing sites and their products become more efficient, companies become more attractive to discerning clients, waste is generally reduced, and operating costs are lowered. The Group does not invest in sustainability for its own sake; decisions are carefully considered, measured and taken where they improve the long-term performance of the business. On this basis, the Company remains committed to its net-zero policy. With progress independently verified and supported, the Group is confident that it is moving towards a future of more efficient, locally manufactured products that remain attractive to its intended customer base.

Personnel

I would like to thank all Group employees for their commitment throughout the financial year; they should be proud of what has been achieved under the difficult trading conditions.

I am pleased that in early September 2026, Thorlux employees were able to celebrate the company's 90th anniversary at its own premises, with more than 650 current and former employees in attendance. The afternoon recognised the contribution of all employees, and in particular the long-standing commitment of members of the Thorpe family to the successful operation and development of the business over many decades. Frederick William Thorpe and his son Ernest founded the company in 1936, and since then there has always been a Thorpe, or several Thorpes, willing to put shoulders to the wheel alongside non-family employees, through both favourable and more challenging times. On behalf of all shareholders, I would like to thank and congratulate the Thorpe family for its continuing and very welcome involvement in the business.

Dividend

Performance as a whole for the financial year to 30 June 2026 allows the Board to recommend an increased final dividend of 5.53p per share (2025: 5.36p), which

gives a total for the year of 7.34p (2025: 7.12p), excluding the special dividend of 2.60p (2025: nil) paid earlier in the year.

Outlook

General trading conditions across the UK and EU have been, and remain, challenging. In that context, maintaining the Group's overall performance is a creditable result. However, the Board and management teams across the Group remain ambitious and are focused on returning to a path of growth. To achieve this in the year ahead, SchahLED in Germany and Lightronics in the Netherlands will need to make positive progress. Actions have been taken to support this objective, although sales-related initiatives in relevant markets can often take 12 months or more to deliver meaningful results. At the same time, cost pressures are expected across the Group, while the scope for further efficiency improvements is becoming more limited following the completion of several Group synergy projects. The pressure to grow is therefore clear, and all employees involved in delivering that objective understand the challenge. At the time of this statement, orders are ahead of the same time

last year but with general performance marginally lower.

The Board remains acquisitive and will continue to consider opportunities that support the Group's growth ambitions. However, despite active consideration of potential opportunities in recent times, no company has yet been identified that meets the Board's acquisition criteria.

Michael Allcock

Mike Allcock
Chairman

1 October 2026



90th anniversary celebrations at Thorlux

Marketplace

The Group services a diverse range of clients across a variety of different sectors. These sectors are targeted by our sales teams, sector specialists and product experts as well as dedicated company specialisms in areas such as lighting controls, emergency and outdoor lighting. The product portfolio across the Group gives us the ability to deliver a complete project, from boiler room to boardroom and beyond.

UK
-3.0%

- Continued to secure orders from target sectors with opportunities to improve in some target areas
- Services revenues higher with solid gross contribution
- Street and amenity lighting improved, positive performance from the majority of UK companies

Netherlands
+1.4%

- Improved Famostar business supported by local emergency product sales and Thorlux projects
- Step backwards at Lightronics, no significant rollout projects for either segment

Rest of Europe
-1.4%

- Solid in Spain, driven by Zemper's technology offering
- Positive growth in Belgium via Zemper
- Germany lower, investment delayed by SchahLED industrial customers in challenging economic conditions

Other countries
+18.9%

- Australia improved results on 2024/25

Market overview

Against a backdrop of challenging market conditions evidenced by the Group's competitors, 2025/26 saw some varied results across the Group with outperformance by Zemper, Famostar and Solite in particular. These positive results were offset by subdued performance of Lightronics in the Netherlands and Germany. Supply chains became challenging as the Group progressed through the year, however, an improvement to material costs was achieved by most companies across the Group again in 2025/26.

The Group has diverse coverage from both a territory and sector perspective. The UK market continued to secure orders from target sectors, however there was lower revenues in the Netherlands driven by Lightronics. Whilst Zemper improved revenue, the rest of Europe was subdued with investment delayed in Germany given economic conditions. Australia solidified the growth of the previous year.

Product development remains a key pillar to success, differentiating the Group from its competitors with innovative products and systems. SmartScan continues to evolve, adding further features and benefits to keep us ahead of our competitors.

Competition is in a variety of forms, from private businesses to listed multinationals and from the information available, financial performance has been challenging given that the last few years were supported by sales price increases. The Group continues to invest in business development and selling resources, supporting the peaks and troughs of demand across various sectors.

The Group continually assesses how to deploy its selling capabilities and routes to market in order to target specific sectors and territories. The product and technology portfolio continues to evolve, enabling us to compete across different sectors and geographies. We continue to focus on certain sectors and territories where we have a specific selling presence.



Demand for Technology/Data

What this means

Evolution of controls technology – wireless
Connectivity with the internet and other devices – the Internet of Things
Ability to offer customers additional functionality by adding different sensor technology and presenting data

Opportunities

Improves ability to hold specification business with our own controls offering
Potential to supply retrofit projects with wireless controls where wired controls are cost prohibitive
Offer solutions to provide additional data specific to the market sector

How we are responding

SmartScan continues to evolve since launching in 2016, the latest generation successfully launched
Further development of the SmartScan platform, bringing other non-lighting devices into the web portal
Occupancy profiling, air quality sensing, and the ability to change colour temperature are all features with the latest version including over the air update capabilities
All new product developments are LED based
Continual review of LED technology offerings to take advantage of the latest advances and ensure we are offering the best solutions to our customers

Economic Climate

What this means

Infrastructure investment increase expected, especially in UK and Germany
Certain sectors could slow investment given concerns over future economic conditions and uncertainty around tariffs
Pressure on wages and salaries due to inflationary and government interventions such as minimum wage and national insurance increases in the UK
Minimal direct tariff risk. Potential for indirect risk, slowing of projects during any uncertainty

Opportunities

Diversified product and sector portfolio
Energy costs remain at levels where payback periods are still interesting for energy-saving lighting projects
Carbon reporting and reduction requirements can drive system investment
Re-shoring with the Group's manufacturing capabilities gives the ability to bring certain components in house

How we are responding

Ensuring our companies are not reliant on one particular sector
Continue to develop innovative products and solutions across the Group
Working with global customers across different territories
Target sectors where demand is stable or increasing
Redirect or invest in selling resources where appropriate

Energy Efficiency and Carbon Reduction

What this means

Global emissions targets
High energy costs in certain European countries
EU legislation – demand for controls, LED upgrades

Opportunities

Energy Performance of Buildings Directive - supports investment in lighting controls
Increased demand for sustainable, energy-efficient lighting solutions
Demand for retrofit lighting solutions driving energy savings using both LED and wireless controls technology
Ability to harvest data to satisfy ongoing reporting requirements

How we are responding

Continue to offer energy-saving technology and the ability to report on energy usage with the SmartScan platform and manage facilities
Financing options with partners to make solutions more affordable to customers to match the savings achieved
Offering turnkey packages to customers to enable change
Investment in electric vehicle charging products with Ratio

Marketplace continued



45%
of sales from safety
products (emergency
lighting systems)
(2025: 44%)



Market sectors

-  Pharmaceutical
-  Hospitality
-  Display
-  Housing
-  Advertising
-  Research and development
-  Commercial
-  Facilities
-  Retail
-  Education
-  Industrial
-  Infrastructure
-  Healthcare
-  Manufacturing
-  Custodial



99%
of sales from LED
technology, energy-saving
controls and related services
(2025: 99%)



Business model

Customers come to us for peace of mind. They require the correct technical solution, professional service, sustainability of products/services and the ability to support the customer during a product’s warrantable life and beyond.

Our business model is focused on the needs of our customers and the marketplace, with a robust capital structure that underpins our ability to deliver sustainable growth, innovative products and excellent customer service.

01

The key resources we utilise

Design and Innovation
Continuous product development – products, software/controls, lighting design

Our Talent
Continued investment in the development of our people

Our Manufacturing Capability
The Group’s manufacturing capabilities span metalwork, plastics and electronics, providing the flexibility to bring third-party components in-house

UK – multiple sites
Europe – Netherlands, Spain
Continued investment

Our Financial and Sustainability Credentials
Financial stability, robust balance sheet
SBTi commitment, carbon offset scheme

02

and harness our “growth mindset” embedded within our operations to

01 Design & development

02 Manufacturing

03 Services

04 The value generated for stakeholders

How we are having an impact on our people, stakeholders and the world:

Group spend on capitalised R&D £2.9m (2025: £2.6m)	01 Design and development Designing and developing in line with customer specifications, market demands and sustainability requirements
Investment in plant & machinery £2.9m (2025: £1.8m)	02 Manufacturing Investment including new sheet metal capability, robotic welding capability - both delivering lower carbon emissions and increased flexibility
Revenue from services £8.4m (2025: £8.2m)	03 Services Our services range from site surveys, installation and commissioning through to monitoring the performance of products. We support our customers throughout the product lifecycle

03

distinct advantages

- + Product innovation**
 - Diversified product portfolio gives the ability to supply a complete solution – “boiler room to boardroom and beyond”
- + Solutions**
 - Renovations, new build, energy saving, compliance, data capture and reporting
 - Intelligent lighting systems with integrated controls, including supply, installation and commissioning
 - Designed for energy efficiency, low maintenance, rapid installation, longevity of products = lower cost of ownership
- + Decentralised manufacturing**
 - Multiple sites within the UK and Europe
 - Re-shoring , or near-shoring, of supply chains where practical, utilising in-house capabilities such as metal work, injection moulding and electronics
- + Sustainability leadership**
 - Group-wide initiatives and support in delivering sustainability targets
 - SBTi commitment, various third-party accreditations across the Group
- + Cross-selling opportunities**
 - Ability to offer other Group company products to complete a solution for a wide variety of sectors

04

The value generated for stakeholders

Customers Short term Replacement of ageing technology with improved lighting systems	Long term Innovative lighting that delivers cost savings and additional benefits, such as data capture and presentation
Shareholders Short term Opportunity to invest in a company that pays a progressive dividend and with a robust balance sheet	Long term Sustainable profit growth drives future shareholder returns
Communities Short term Employment opportunities and supporting local charities	Long term Providing sustainable employment in the areas where our businesses are located
Employees Short term Opportunity to work with an innovative market leading company within the lighting industry	Long term Continual development with a variety of Group companies in a number of different territories
Environment Short term Build on the work of many years, delivering energy-saving products and continuing our carbon offset programme	Long term Develop and implement our sustainability strategy as we drive towards net zero

Strategy

Our products are sold throughout the world. The Group management team is passionate about developing the business for the benefit of the shareholders, employees and customers. With the energy and ability of our staff we look forward to the future with enthusiasm. Our aim is to create shareholder value through market leadership in the design, manufacture and supply of professional lighting systems.

Our focus is for long-term growth and stability, achieved through the following priorities:

Overview of strategy

- Strategy was designed to build on the values that have been at the core of the Company since its inception. FW Thorpe has been built on product innovation – design and product development is fundamental.
- The Group is product led. This enables us to maintain competitive advantage with market leading products, utilising technology to retain and attract new customers.
- Sustainable growth is key to our stakeholders – targeting new customers in existing or new territories, using our product portfolio to drive into new sectors.
- Control of the manufacturing processes is of utmost importance – key processes are kept in-house with targeted investment in new machinery as required.
- Family principles and how we treat our people is fundamental to our success. The Group prides itself on the development of people from within the organisation, providing training and experience as well as maintaining our core values.

01

Focus on high quality products and good leadership in technology

Customers continually require new and innovative ways in which to reduce the operating costs of their lighting installations. There is also the requirement to reduce their environmental impacts.

Progress to date

- Continued enhancement of features for the SmartScan wireless system
- Shared product development between relevant companies within the Group
- Electric vehicle charging and road safety products now being sold in the UK

Future opportunities

- Further development of SmartScan
- Continuous research and development
- Targeted acquisition

Associated risks

- F** • Product acceptance
- Initial product introduction



Read more in Strategy in action on [pages 30 to 33](#)

02

Continue to grow the customer base for Group companies

With the continued investment in the product portfolio and the broad range of sectors we can service, the focus will be on expanding our customer base in new markets and territories.

Progress to date

- Targeted approach in the Netherlands, Norway and France with Thorlux product and controls portfolio
- Introduce Famostar product portfolio to territories where the Group has a presence
- Introduce Zemper product portfolio to territories where the Group has a presence

Future opportunities

- Consider further sales offices overseas, increased sales presence in Germany and other European territories
- Potential business development investment
- Investment in sales personnel in the UK and Europe
- Targeted acquisition

Associated risks

- A C E F G H I J K**
- Short-term cost increase without immediate return
- Prolonged time required to establish FW Thorpe brands



Read more in Strategy in action on [pages 30 to 33](#)

03

Focus on manufacturing excellence

Along with continued product development, the need to innovate the production process is essential.

Progress to date

- New punch press at Thorlux
- Robotic welding at Thorlux
- Insourced a number of components this year including injection mouldings and electronics, predominantly to help secure our supply chain and reduce cost

Future opportunities

- Continued development of manufacturing facilities and processes across the wider Group
- Potential paint plant upgrades across the UK, biomass boilers
- Potential of additional injection moulding capability at Zemper to support Group insourcing
- Additional solar at Thorlux with battery storage

Associated risks

- B F G**
- Reduced productivity whilst changes are implemented
- Learning curve on introduction of new products and processes



Read more in Strategy in action on [pages 30 to 33](#)

04

Continue to develop high-quality people

As one of our main sources of competitive advantage, it is imperative we continually develop and retain talent within the business.

Progress to date

- Apprentice scheme continues
- Investment in management training
- Training and development
- Investment in further education – degree level etc.

Future opportunities

- Continued investment in training and personnel development
- Inter-company collaboration teams to develop a broader understanding of the whole business

Associated risks

- D F**
- Ability to retain staff in competitive local job markets
- Potential loss of UK personnel from the EU
- Ability to sponsor non-UK staff and associated increased costs



Read more in Strategy in action on [pages 30 to 33](#)

Risk key

- A** Adverse economic conditions
- B** Business continuity
- C** Price changes
- D** Changes in government legislation or policy
- E** Impact of conflict on domestic and global economies
- F** Competitive environment
- G** Sustainability and climate-related risk
- H** Cybersecurity
- I** Tariffs and trade barriers
- J** Credit risk
- K** Movements in currency exchange

Strategy in action



Thorlux Lighting A-Line EX

The A-Line EX from Thorlux is a robust LED luminaire designed for hazardous-area applications in ATEX zones 2 and 22. Engineered for demanding industrial environments, the luminaire combines a corrosion-resistant extruded aluminium body with die-cast end caps and a durable polycarbonate cover to provide long-term reliability and protection.

Designed for operational longevity, A-Line EX delivers a 100,000-hour service life across ambient temperatures ranging from -10°C to +35°C, helping reduce maintenance requirements and associated operational disruption.

SmartScan Radar variants are also available, bringing intelligent lighting controls into hazardous areas through an integrated sensor positioned behind the luminaire cover. This enables energy-saving operation, occupancy-responsive control, and remote operational status reporting via the SmartScan platform.



Famostar O-Lux

Developed for high-traffic environments, the O-Lux from Famostar combines general and emergency illumination in one solution, ensuring compliance with escape route lighting standards whilst maintaining a cohesive aesthetic. Its integrated emergency lighting lens delivers compliant route illumination, while Glare Protect technology helps minimise glare and improve occupant comfort.

Designed for ease of installation, O-Lux automatically detects its mounting position and adjusts light distribution accordingly, reducing the need for multiple product variants. With options including SmartScan wireless connectivity, multiple colour temperatures and long-life components, O-Lux offers a durable, high-performance lighting solution for modern buildings.



Lightronics SYMM Oaken

The SYMM Oaken is a wall-mounted downlighter that combines high-quality lighting performance with a reduced environmental footprint. The housing is crafted from European oak sourced from PEFC-certified forests, using residual wood from forestry operations to avoid unnecessary felling. Internally, the luminaire incorporates recycled aluminium and polycarbonate, reducing reliance on virgin materials whilst maintaining durability and performance. Components can also be easily separated and recycled at end of life, reinforcing SYMM's Oaken circularity credentials.

Alongside its sustainable design, SYMM Oaken delivers efficient and comfortable illumination, achieving efficacy above 150 lm/W to help reduce operational carbon emissions. Its wide light distribution provides subtle façade lighting for entrances and external walls, with both 3000K and 4000K options available.



Zemper CORKIA

Zemper's CORKIA range is an emergency lighting solution that incorporates natural, renewable materials whilst maintaining the technical performance required for safety-critical applications. At the core of the concept is the use of cork as a primary material, offering low environmental impact, lightweight properties, and durability. Combined with advanced emergency lighting technology, the range helps reduce embodied carbon whilst maintaining compliance with stringent safety standards.

Developed for a variety of applications, the CORKIA series aligns with Zemper's focus on material efficiency, product longevity, and reduced environmental impact throughout the product lifecycle.

STRATEGY IN ACTION

Vionis

Continuous disinfection, powered by light

The FW Thorpe Group innovation team has developed Vionis, an advanced lighting technology that integrates continuous antimicrobial disinfection into everyday illumination. Utilising a specific wavelength of visible violet-blue light (405nm), Vionis brings together decades of scientific research with modern luminaire design to deliver both high-quality lighting and environmental hygiene within a single, unified solution.

Unlike conventional ultraviolet (UV) disinfection systems, which require unoccupied spaces, Vionis operates safely in the presence of people. By using visible light, the system provides continuous antimicrobial action alongside comfortable white light, enabling buildings to maintain high standards of cleanliness without interrupting normal operations.

The technology is based on a well-established photodynamic process. Exposure to 405nm light activates naturally occurring molecules within bacteria, generating reactive oxygen species that progressively damage and inactivate microbial cells. This results in a sustained reduction in contamination levels, providing an effective complement to established cleaning and infection control practices.

Vionis builds on nearly two decades of research led by the University of Strathclyde, where the antimicrobial properties of 405nm light were first identified and developed for practical application. Laboratory testing has demonstrated significant reductions across a broad range of bacteria, whilst clinical evaluations in hospital environments have shown that contamination levels decrease during use and return to baseline once the technology is removed.

A key advantage of Vionis lies in its ability to provide continuous low-level disinfection. Whilst UV technologies are effective for rapid high-intensity cleaning, their use is inherently limited by safety constraints and potential material degradation.

Vionis, by contrast, delivers ongoing protection in occupied spaces, making it particularly suited to healthcare, education and commercial environments where hygiene and usability must coexist.

The system has been engineered for seamless integration into Thorlux and Solite luminaires, including compatibility with the Group's SmartScan lighting management platform. Each luminaire incorporates a dual-circuit design, enabling independent control of standard white light and the 405nm disinfection function. This ensures that both lighting performance and antimicrobial efficacy are optimised, whilst providing building operators with precise monitoring and control.

Vionis is now released for trial installations at strategic UK customer sites; before and after microbial swab analysis is being completed with the help of specialists. A panel of experts have also been engaged to technically support Thorlux and Solite in this new and highly specialised field.



Continuous
Protection



405nm light
(violet)



Safe for
people



Strategy in action continued

32



Solite Scottish Prison Service

This £209 million Scottish Prison Service (SPS) development replaces a long-established Highlands prison whilst doubling capacity and providing a modern environment focused on wellbeing and rehabilitation.

Solite worked closely with the consulting engineers and appointed mechanical and electrical contractor to secure the custodial lighting package, delivering solutions that met the stringent requirements of both the SPS and Ministry of Justice (MoJ).

Combining proven products with bespoke engineering, Solite manufactured and supplied more than 1,300 luminaires, including a custom cornice lighting system that enabled seamless integration and continuous installation throughout the facility. The design maintained a high IK impact protection rating, ensuring durability, security and compliance. The project highlights Solite's expertise in delivering robust bespoke lighting solutions for complex high-security environments.



TRT Lighting Haverfordwest footbridge and western quayside

A new pedestrian footbridge in Haverfordwest is helping connect the town's riverside area with the emerging western quayside development, forming part of the wider phase 2 regeneration programme.

Delivered for Pembrokeshire County Council by Walters UK, the scheme required a carefully balanced lighting strategy. Spanning the Western Cleddau, the bridge is in a sensitive riverside environment where illumination levels had to support safe access while limiting obtrusive light. TRT Lighting provided an integrated lighting solution combining illuminated Altura handrails, Oaken low-level luminaires and intelligent controls.



Thorlux Lighting Tesco, Harrogate, Yorkshire

Thorlux lit the car park and outdoor areas of this Tesco supermarket using SmartScan External, ensuring pole-top luminaires operate only when needed. By dimming or switching off lighting when there is sufficient daylight or no nearby movement, the system reduces energy consumption and minimises light pollution.

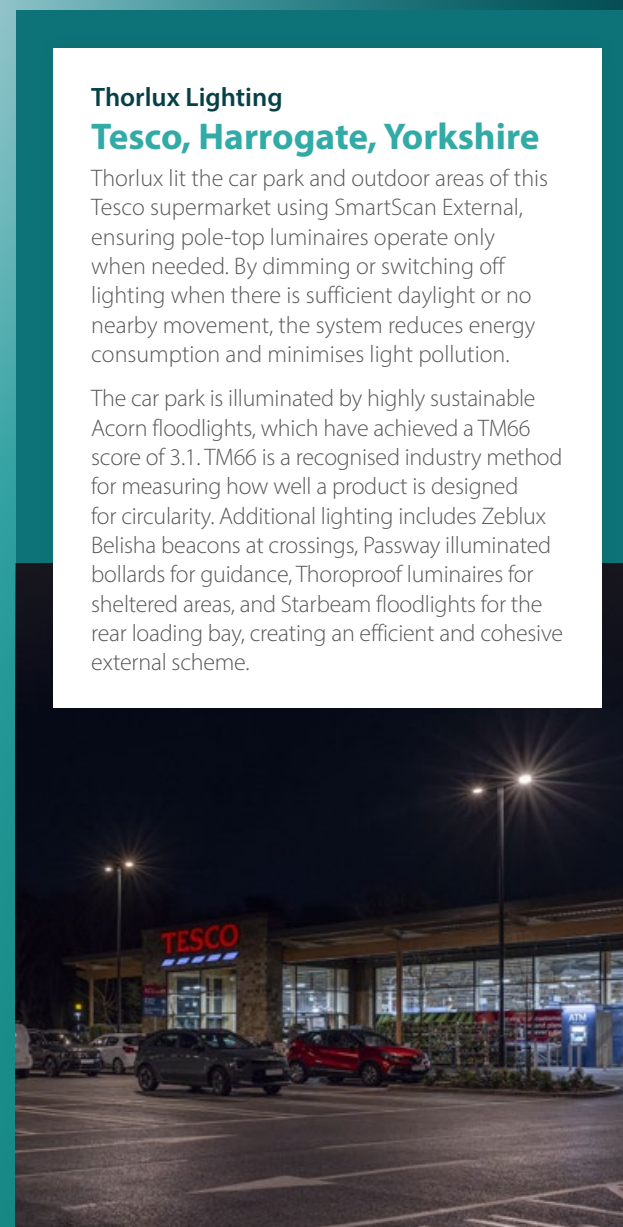
The car park is illuminated by highly sustainable Acorn floodlights, which have achieved a TM66 score of 3.1. TM66 is a recognised industry method for measuring how well a product is designed for circularity. Additional lighting includes Zeblux Belisha beacons at crossings, Passway illuminated bollards for guidance, Thorproof luminaires for sheltered areas, and Starbeam floodlights for the rear loading bay, creating an efficient and cohesive external scheme.



SchahlLED Lighting Tricor, Goch, Germany

Tricor, a leading supplier of packaging materials, wanted durable, efficient and sustainable lighting at its newly built plant in Goch. SchahlLED was commissioned to plan and supply the complete system, covering an area of 170,000 square metres.

Just over 1,000 Visio and almost 550 Thorproof luminaires were installed in several halls and two high-bay warehouses, wirelessly connected to the SmartScan lighting management system.



Ratio EV Crovie, Scotland

In the coastal village of Crovie, Ratio EV has supported the installation of vital electric vehicle charging infrastructure. With no road running through the village and no opportunity for on-street or home charging, this project helps the transition to electric vehicles without compromising the historic setting. Ratio's io7 charger has been installed, providing a reliable and future-ready solution.

The scheme was funded by the Energy Saving Trust and Transport Scotland, demonstrating how thoughtful charging solutions can support rural communities and enable sustainable transport even in the most challenging environments.



Key performance indicators

The following key performance indicators are considered to be the most appropriate for measuring how successful the Group has been in meeting its strategic objectives.

Financial

Revenue (£m) -1.3%	2026 2025 2024 2023 2022 172.9 175.2 175.8 176.7 143.7	Performance in 2026 • Similar levels despite mixed results in Europe • Revenue growth at Famostar and Zemper, offset by Lightronics and Germany	Links to strategy 1 2 3 4 Links to risk A B C D E F G H I J K
Operating profit (£m) -0.8%	2026 2025 2024 2023 2022 31.8 32.1 30.6 27.8 24.7	Performance in 2026 • Continued margin improvement • Operating cost pressures from wage rates and general inflation • Further growth tempered by Lightronics and Germany	Links to strategy 2 3 4 Links to risk A B C D E F G H I J K
Basic earnings per share (pence) +9.4%	2026 2025 2024 2023 2022 23.72 21.69 20.73 18.72 17.16	Performance in 2026 • Improved performance from joint venture • Lower interest and tax charges • Share buybacks	Links to strategy 2 3 4 Links to risk A B C D E F G H I J K
Operating cash flow (£m) -7.2%	2026 2025 2024 2023 2022 30.8 33.2 41.4 31.9 19.7	Performance in 2026 • Working capital increases, driven by new product introductions and mitigation of supply chain challenges	Links to strategy 2 4 Links to risk A C D E F G H I J K

Strategic priorities

1 2 3 4

Read more about our strategic priorities on [pages 28 to 29](#)

Type of risks

Read more about our principle risks and uncertainties on [pages 66 to 67](#)

Sustainability

CO₂ emissions (tCO₂e) (Scopes 1, 2 and 3, market-based) -8.7%	2026 2025 2024 2023 2022 170,653 186,956¹ 208,824 237,081 274,154	Performance in 2026 • Reduction in the key territories CO₂e factors • Improved product efficiencies • Reduced fuel emissions with the introduction of HVO at Thorlux	Links to strategy 2 4 Links to risk B D E F G
Renewable energy usage (kWh) +20.6%	2026 2025 2024 2023 2022 4,333,327 3,594,622 4,422,871 3,952,778 2,743,373	Performance in 2026 • Solar generation, renewable sourced electricity	Links to strategy 2 4 Links to risk B D E F G

¹ Restated to reflect updated information previously unavailable

Operational and financial review

“Revenue growth eluded the Group as a collective this year; market conditions across Europe are challenging, with a number of lighting-sector companies reporting lower orders and revenues.”

Craig Muncaster, Chief Executive,
Group Financial Director and Company Secretary

Operational review

2026 Group Company Overview

FW Thorpe Plc encompasses individual companies that concentrate on particular market sectors and geographical locations.

The companies provide the Group with diversity as well as risk mitigation; they do not compete with one another and are complementary.

The companies within the Group can be affected differently by trends and economic impacts within their respective markets. The continuing development and market adoption of LED lighting and especially wireless controls technology allows Group companies to share the benefits of their product and technical expertise, differentiating themselves from competitors.

Revenue growth eluded the Group as a collective this year; market conditions across Europe are challenging, with a number of lighting-sector companies reporting lower orders and revenues. Results across the Group did, however, vary again this year. Standout performers were Famostar in the Netherlands and Zemper in Spain, both growing revenue by 13%. UK company performance was supported by growth at Solite and a return to profitability at TRT.

Lightronics and SchahlLED continued to struggle with lower orders. Both companies did, however, make

investments for future growth, in product development, targeted-sector sales presence and sales leadership.

The Group's other companies performed consistently in the main, with most UK Group companies delivering an improved performance over last year's.

The Group's innovation team continued to provide product development initiatives for subsidiary companies to launch to market. Notable successes this year include emergency products manufactured from cork, and Vionis, a product that provides continuous disinfection powered by light (see page 31).

The Group's procurement team helped deliver savings again this year to the benefit of most Group companies, even against a backdrop of strong material price inflation in the last quarter of the financial year. Stock is likely to increase, driven by strategic additional purchases to mitigate price increases and protect against potential supply chain challenges as a consequence of the conflict in the Middle East.

Group companies continue to pride themselves on paying above minimum wage standards and rewarding the achievement of results. People costs continue to rise, driven not only by inflationary pressures but also by consecutive significant increases in the minimum wage and their knock-on effect on other pay grades, compounded further in the UK with the recent increase in employers' National Insurance.

Selling price increases were minimal again during the year, as a consequence of market forces. Diversification of the Group's revenue sources, either by territory or by sector, has once more delivered for the Group by providing a relatively consistent level once consolidated. The targeted reduction of material costs mentioned above has resulted in stable operating profit despite continued pressures, mainly from employee costs across the Group.

The Group continues to invest in improving its manufacturing capabilities, sales activities and associated support services, underpinned by the continued development of innovative products as well as sustained improvement of overall service levels to customers.

The following is an overview of 2025/26 for each company.



Bilton Grange Boarding House, Rugby, United Kingdom

Thorlux Lighting

It has been a challenge for Thorlux to match the highs of last year in terms of revenue; however, to the company's credit, operating profit is broadly similar to last year. Another all-time record output month was achieved in the second half of the year, demonstrating that the business has operational capacity to deliver at higher levels when demanded.

Revenue

£93.9m

(2025: £97.0m) -3% (2025: +6%),
excluding SchahlLED adding
£9.2m (2025: £10.9m)

This year, revenues were supported by sector focus and the development of opportunities in overseas territories. Sector variations are to be expected, and a few territories in the UK and overseas provided disappointing results. Thorlux investments in Norway and France are, however, showing signs of success, with progress in both regions during the year.

SchahlLED in Germany continued to struggle. Orders in the first half of the financial year started strongly but then slowed towards the turn of the calendar year, with signs of improvement in the closing months of 2025/26. Economic conditions are certainly not helping the speed of recovery. Since the downturn in Schahl's market, there has been heavy investment in sales presence to diversify coverage, and the Group expects this to pay off in the future.

Thorlux operations in the UK responded positively to the ebb and flow of demand during the year. The record output month in the second half was achieved with relative ease, which is a testament to the management of and investment in manufacturing facilities in recent years. Procurement savings were

again achieved. International turmoil means that the focus has now switched to ensuring continuity of supply; further stock holding reduction is currently a lower priority.

Investment in product development remains a priority regardless of the economic backdrop. The first trial of Vionis (a range of luminaires that deliver normal white light combined with disinfecting blue 405nm light) began before the close of the financial year. The first orders for SmartScan Analytics were secured from existing customers, demonstrating that investment in this area is starting to gain momentum. The ability of Thorlux to design and develop products specifically to customers' requirements secured a number of retail retrofits for well-known multi-site supermarket operators in the UK. Some traditional customers in target sectors also invested in refresh programmes during the year.

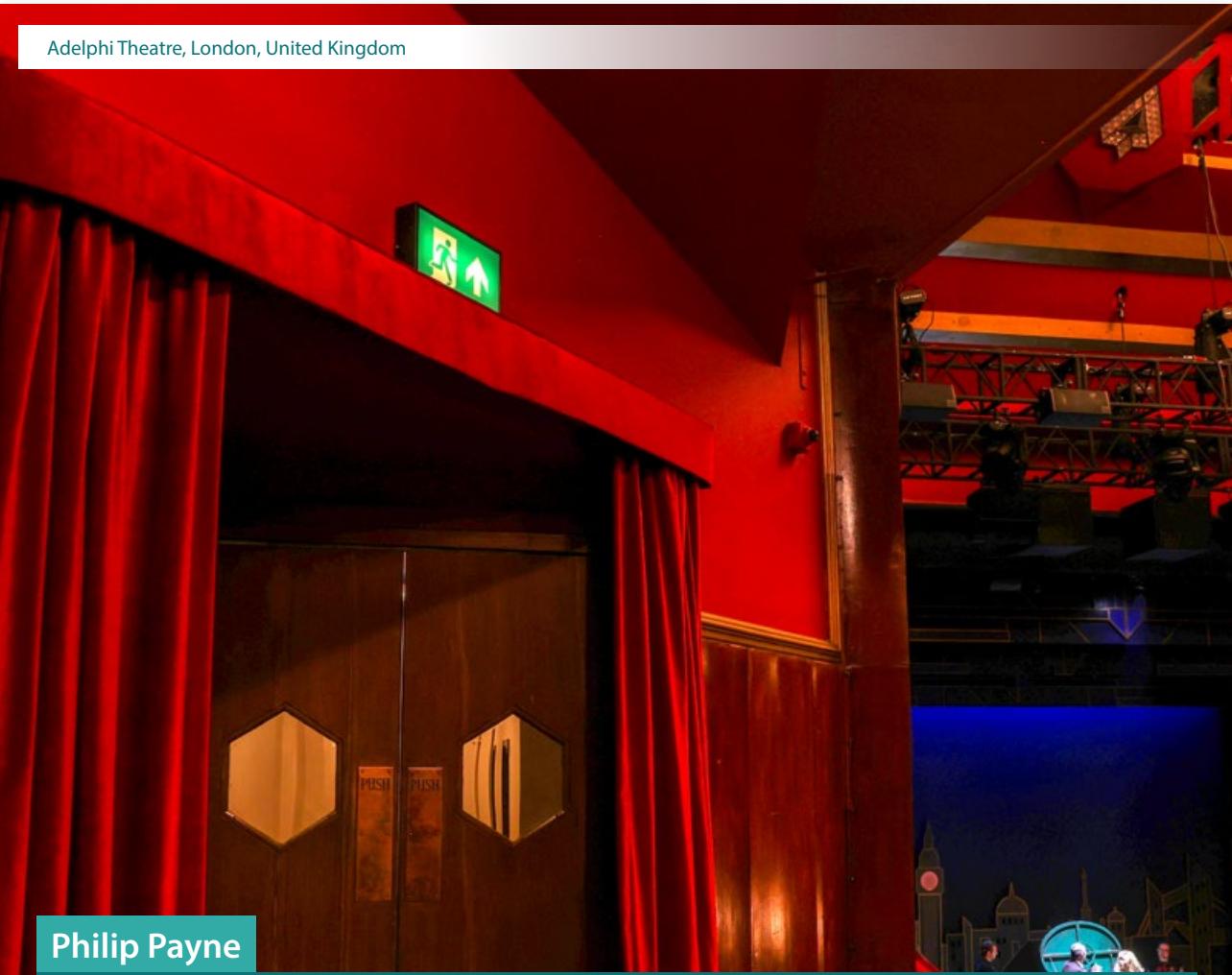
Investment in operations continued. Robot welding has been successfully introduced as well as new sheet metal processing equipment that replaces ageing machinery, improving operational efficiency whilst reducing energy consumption. Further

investment is expected in 2026/27, for more new machinery to support labour cost savings and factory flexibility, together with additional roof- and fascia-mounted solar PV capacity with complementary battery storage. Thorlux's main electrical power supplies reached 40 years old and, for resilience sake, were mostly replaced this year; they can also run off grid during a power outage.

Thorlux plans to re-establish revenue growth this year, conscious that it is now carrying the costs of a larger scale business as well as investments in selling and sales support overheads, further compounded by costs imposed by the current UK Government: minimum wage increases, increased employers' National Insurance, and increased business rates, to name but a few. Hopefully any UK Government sponsored 'buy British' campaign will support Thorlux's growth ambitions. Continued investment for the long term, both in ongoing product development and selling presence, will remain a priority, supporting the desire to move the business forwards in 2026/27 in spite of challenging market conditions.

Operational and financial review continued

Adelphi Theatre, London, United Kingdom



Philip Payne

Results this year were disappointing following profitable growth last year. Return on sales remained satisfactory but below the Group's expectations and those standards set by the other emergency lighting businesses at FW Thorpe.

Revenue
£3.5m
(2025: £4.3m)
-17% (2025: +9%)

Philip Payne's sales of Famostar and Zemper products in the UK have largely been unsuccessful. The company will therefore revert to focusing on its core market of the specification and targeted end user channels where clients value the aesthetics of their emergency lighting. There has been some success in target markets during the year, with revenues from specification increasing compared with last year. Progress was, however, dampened by a reduced spend by a particular key end user during the year.

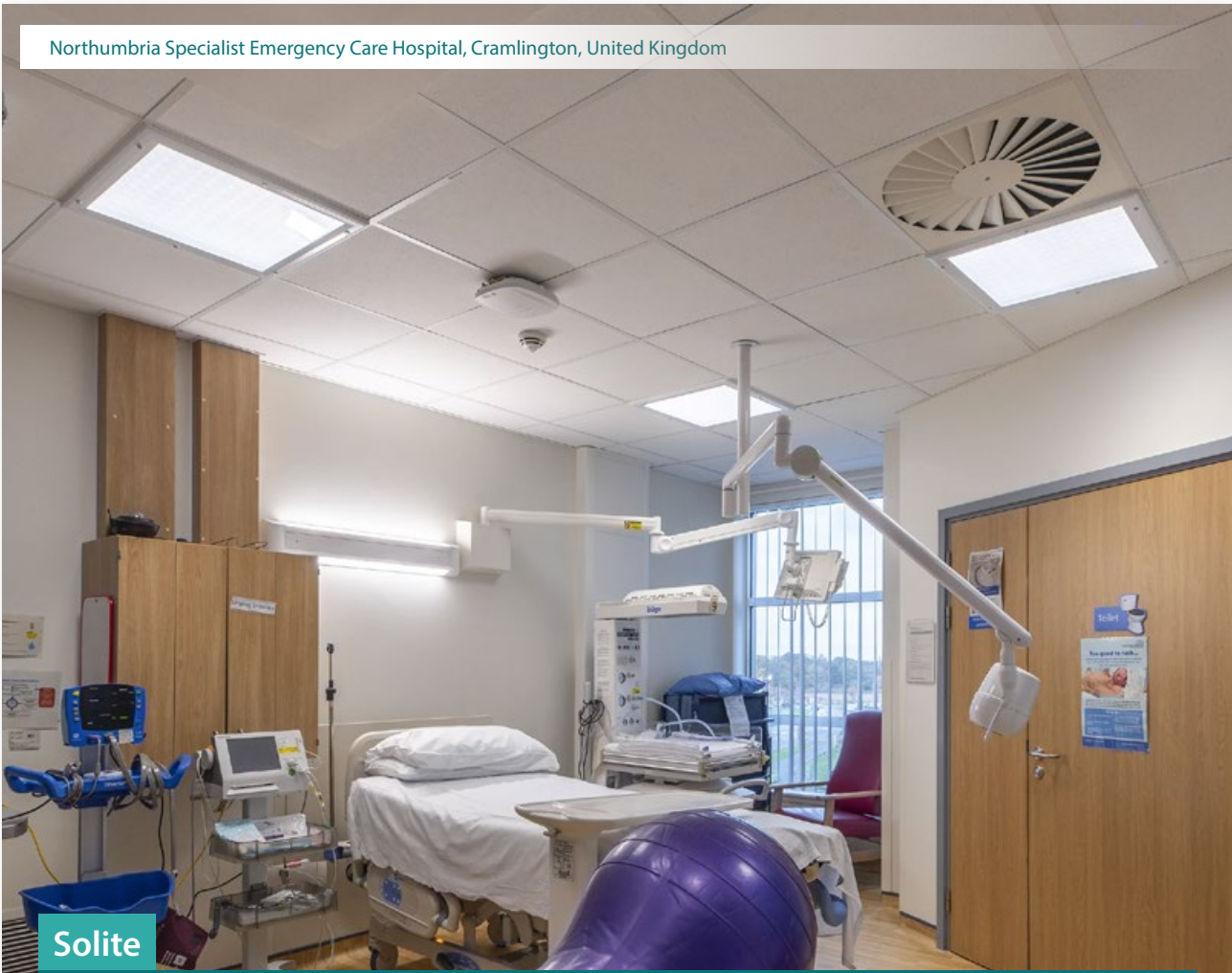
A successful revamp of the core product portfolio was substantially completed during 2025/26. Collaboration projects continue with both the Group innovation team and Zemper in particular, sharing expertise to expand the offering as well as focusing on alternative low carbon aspects of material selection to support the Group's sustainability targets.

New products have been launched following the ethos that Philip Payne is the premium emergency lighting brand of the Group with the ability to match the look and finish of a luminaire to the decorative requirements of a project, even in quite small volumes.

Projects of note this year include the Royal Albert Hall, Senedd Cymru, the All England Lawn Tennis Club Wimbledon and the Shackleton Museum, demonstrating Philip Payne's capabilities.

The company will go back to basics for 2026/27, with a continued focus on specification and direct end user business in target sectors. The start to 2026/27 has been positive. Marketing efforts will be increased, with targeted activity to drive sales in core areas. Expectations for management from Group are clear for the year ahead, revenue growth and improved operating profit return.

Northumbria Specialist Emergency Care Hospital, Cramlington, United Kingdom



Solite

This has been another strong year for Solite, surpassing the record levels of revenue and profit of 2024/25. Growth has been driven by the usual mixture of clean area products for both Solite and Thorlux projects, with the pleasing addition of a significant custodial project for HM Prison Service representing success in diversifying into a target market segment for Solite.

Revenue
£5.8m
(2025: £5.0m)
+15% (2025: +24%)

The backbone of Solite's business is the ability to deliver tailored high quality ingress-protected lighting products to suit customer requirements. The standard product portfolio continues to evolve, and Solite will also benefit from the Group innovation team's development of Vionis, which not only supports competitiveness, but also gives Solite the opportunity to demonstrate the Group's capabilities to customers.

Margins were robust, despite cost pressures from certain raw materials. Improvements in operational effectiveness are constantly under

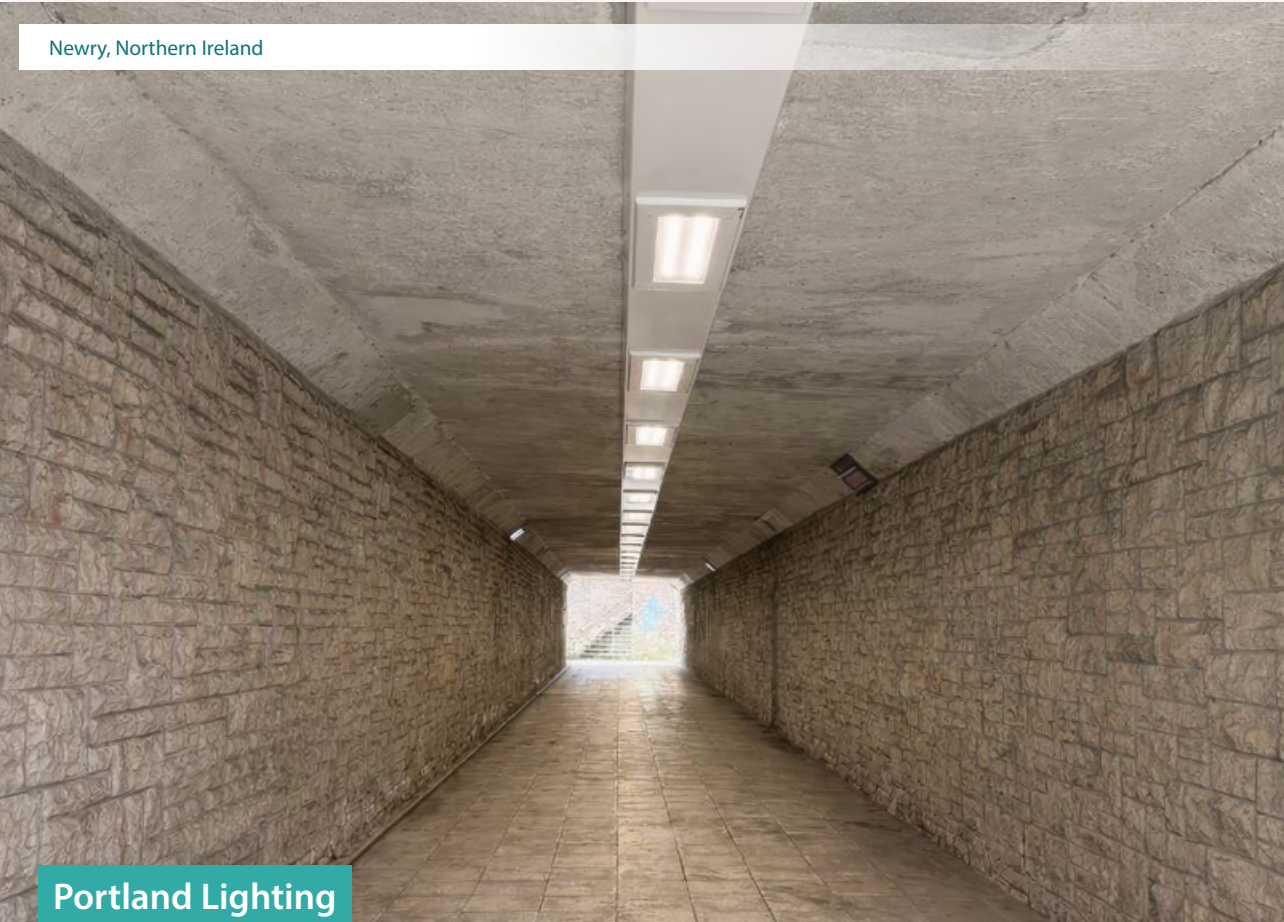
review; as a project led business, it is important that Solite can respond to peaks in demand.

Following recent investment in a new paint facility, the Board agreed to extend the building in Stockport to deliver additional machinery capacity. This investment provides the opportunity to reorganise the flow of products around the factory to improve efficiency. Solite expects to finish this project early in 2027, which will establish a solid platform for the business to deliver further growth.

For 2026/27, as well as developing the core markets of pharmaceuticals and healthcare, Solite will continue to focus on sector diversification to solidify the growth achieved in the last few years.

Operational and financial review continued

Newry, Northern Ireland



Portland Lighting

During another year of growth, both the traffic and sign lighting divisions progressed. The traditional sign lighting business – sign lights for retail and hospitality – grew for the first time in a number of years, despite the well-publicised high street gloom.

Revenue
£5.2m
(2025: £4.5m)
+16% (2025: +26%)

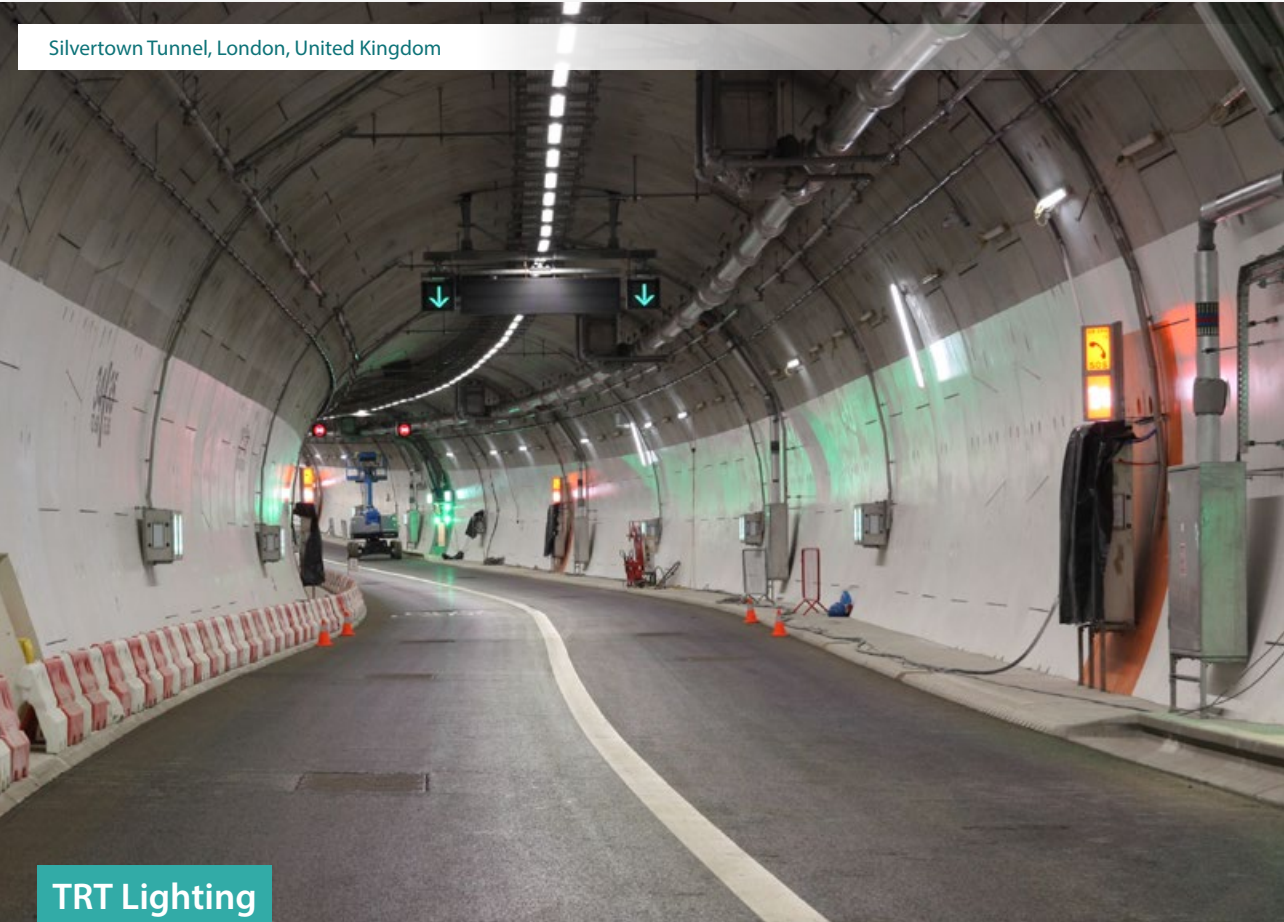
The new traffic division, selling road traffic safety sign lighting, grew again this year, securing one of the largest orders in Portland's history, for a local authority rollout during 2026/27.

The traffic division successfully launched its solar PV powered beacon range, securing orders from both Portland and Thorlux customers. Sales in this division relied heavily on the Hydra product portfolio; being a traditional traffic safety sign light, and thus a higher volume product, Hydra achieved lower than traditional margins. The traffic portfolio has expanded in recent years to provide customers with a comprehensive offering; the company expects to sell much more from the traffic portfolio in the future.

The performance of the sign lighting division improved, with increased sales and the launch of a major update to the Ecolux product. Ecolux 2026 has been developed with sustainability in mind, delivering a significant 47% energy saving for customers and utilising certified low-carbon aluminium extrusion to support a TM66 sustainability rating of 2.6 under a guideline for creating a circular economy in the lighting industry published by the Chartered Institution of Building Services Engineers (CIBSE) and the Society of Light and Lighting (SLL).

Another year of growth is planned for 2026/27 following further investment in sales personnel and product development for the traffic division. Portland will continue to explore cross-selling opportunities with TRT for street and amenity lighting to local authorities, and with Thorlux, where customers have large facilities with outdoor lighting and road safety requirements. The traffic division's additional sales, marketing and product development costs have weighed heavily on profit returns for the last two years, but the Board expects these investments to improve the return on sales in the new financial year.

Silvertown Tunnel, London, United Kingdom



TRT Lighting

Following the momentum of the final quarter of last year, TRT has managed to return to profit in 2025/26. The combination of introducing new products and implementing a new sales team has culminated not only in a profitable year's trading but, to start the new 2026/27 financial year, the award of the largest single order in the Group's 90-year history.

Revenue
£8.9m
(2025: £7.9m)
+12% (2025: -7%)

This order will be delivered over the next two trading years and will underpin TRT's renewed positive outlook.

The operations team has an established base from which to achieve more with only some minor investments during the year to improve productivity in the final assembly process.

Product innovations are at the core of any FW Thorpe company. The successful launch of the Aspect 2.0 family for street and amenity lighting has supported TRT's return to profitability. TRT is now able

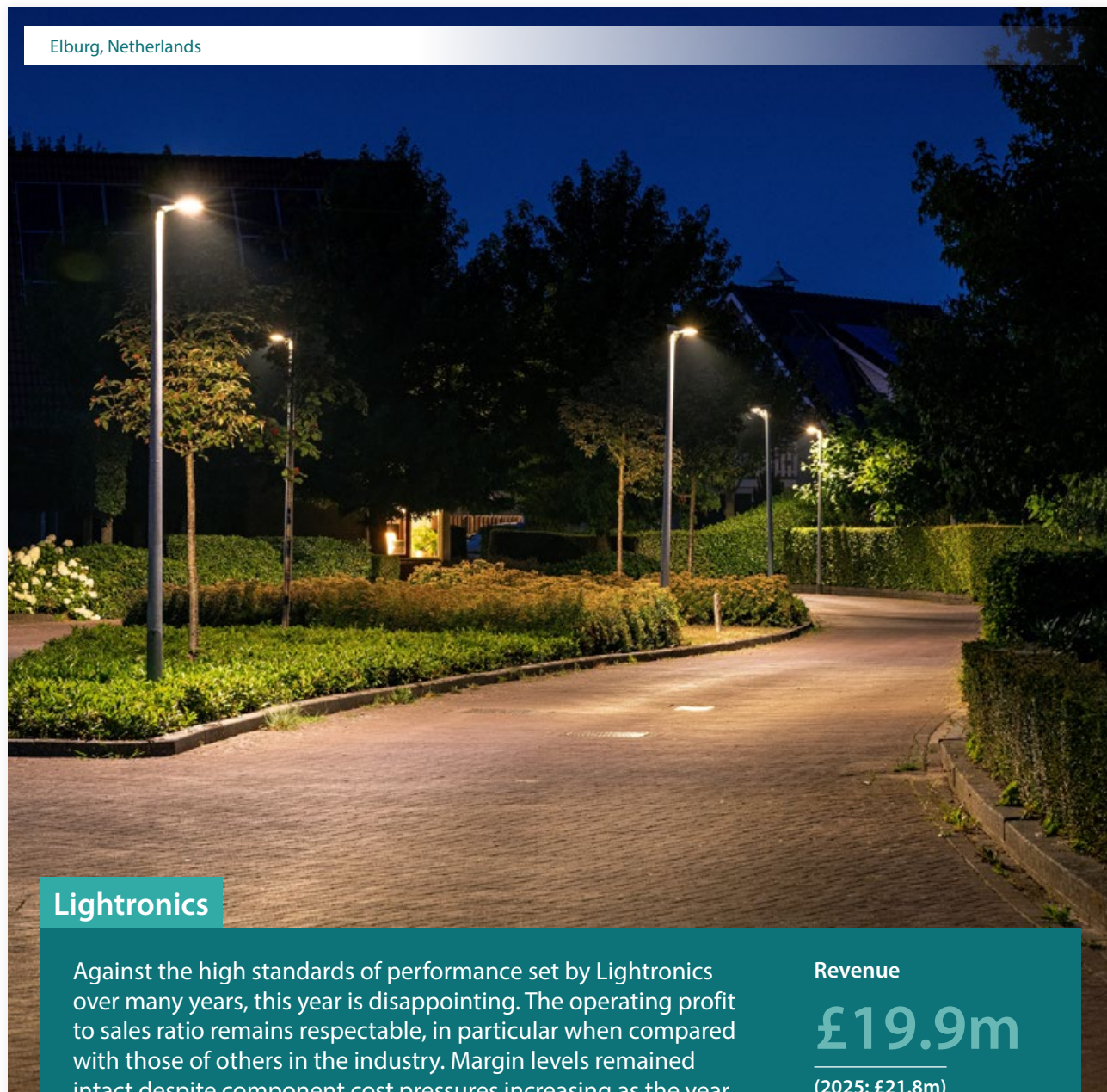
to compete for and win orders in road lighting segments that were inaccessible with the previous outdated product iteration, and has secured large rollout orders.

The Tunnel-Line product, sold directly and via Thorlux, was developed during 2025/26. This stainless steel product specifically targets rail tunnel sectors and arduous underground operating environments. Some early success has been achieved at a major railway station in the Midlands, and ongoing trials with other operators in the UK are underway.

Although TRT is still not at the profit levels expected by the Group, it has a more stable platform from which to progress in 2026/27. The recovery plan agreed for 2025/26 – targeted sales and product development alongside margin improvement plans – was delivered in the main. The next target is to demonstrate progress towards the benchmark return on sales target set by the Group.

Operational and financial review continued

Elburg, Netherlands



Lightronics

Against the high standards of performance set by Lightronics over many years, this year is disappointing. The operating profit to sales ratio remains respectable, in particular when compared with those of others in the industry. Margin levels remained intact despite component cost pressures increasing as the year progressed, compounded by ongoing price competition in the Dutch road lighting segment in particular.

Revenue

£19.9m

(2025: £21.8m)
-9% (2025: -17%)
(constant currency -12%¹
(2025: -15%))

Lightronics' key business segments comprise street lighting, wall and ceiling lighting, and exports into Germany and France. All segments suffered for various reasons, but on the positive front some larger scale street lighting tenders were won for delivery over the next few years.

Export levels remained subdued, in the main due to the German market. The Group's other business in Germany, via SchahLED selling Thorlux solutions into this territory, echoed this impact.

Areas for continued investment in the product portfolio during the year included improving the efficiency and performance of existing ranges to remain competitive in large tenders, and further development of Lightronics' controls offering. Other key areas of focus remain those of differentiation from competitors by using sustainable materials such as wood and cork, and making products even easier and faster to install.

Innovation leadership is shared with TRT to drive synergy opportunities. So, what has been done to reverse the dip in performance? A new commercial director who brings lighting experience and know-how joined Lightronics at the end of the summer, with the challenge of reinvigorating the commercial approach of the business. The target remains to return Lightronics to the levels of financial performance that the Group has become accustomed to in recent years.

¹ Constant currency shows percentage change in sales in the company's local currency

Marga Klompé Building, Tilburg, Netherlands



Famostar

Performance from Famostar was solid, yet again, with profitable growth. The business now has two distinct segments: emergency lighting for the Dutch market, and selling Thorlux solutions into the Netherlands across a variety of targeted sectors. Pleasingly, both segments achieved growth in 2025/26.

Revenue

£14.5m

(2025: £12.8m)
+13% (2025: +7%)
(constant currency +9%¹
(2025: +9%))

Investment during the financial year has focused around technology and building a robust organisational structure that supports future growth. The future-proofing of the emergency lighting portfolio is approaching completion and gives Famostar's products the ability to operate correctly no matter which battery technology is adopted in future. This places the business in a position to determine the solution driven by

customer demand, market conditions, cost and availability, or a combination of these factors.

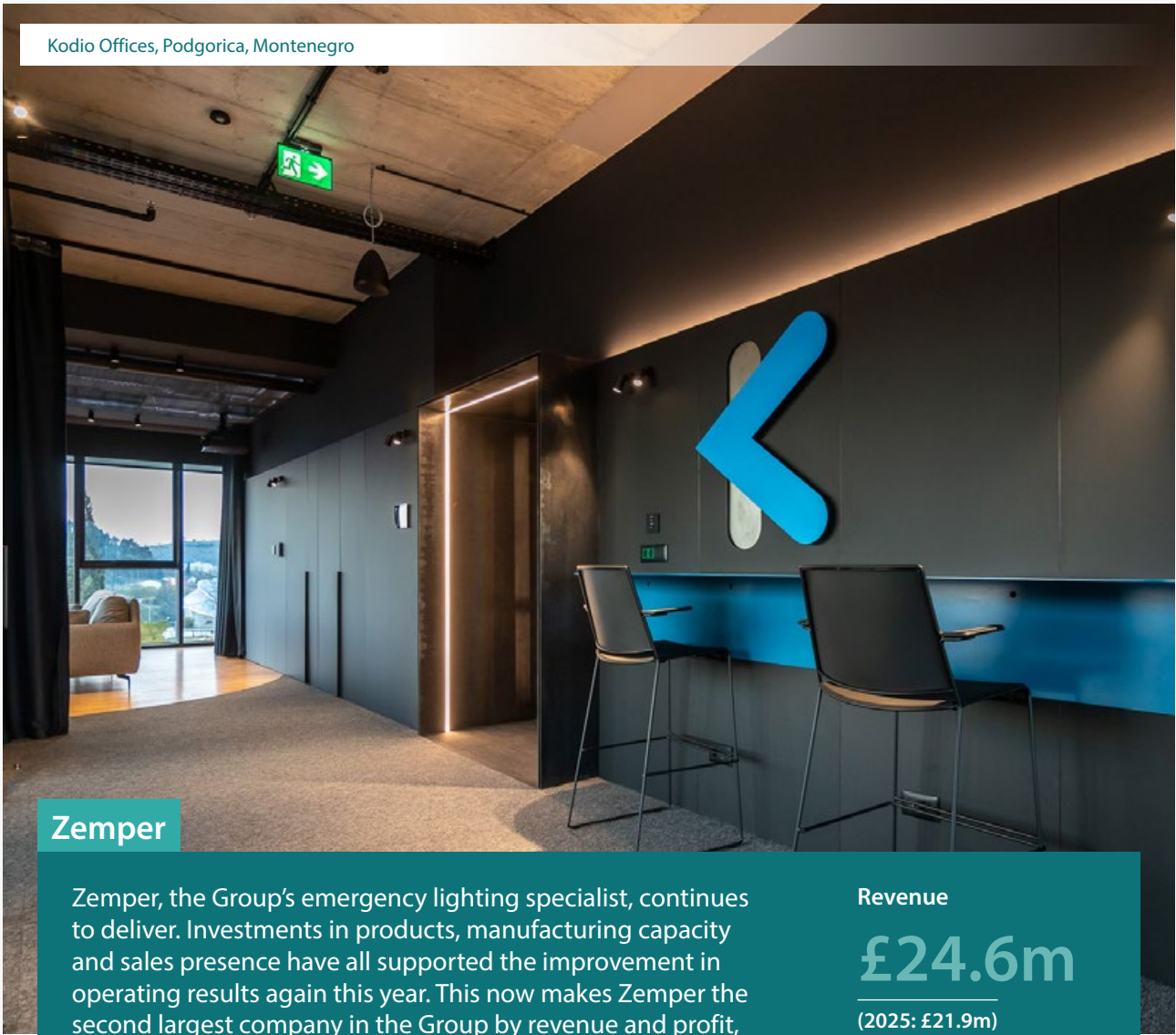
It was another year of progress for Famostar's Thorlux segment in the Netherlands, with revenues approaching €3m. The Famostar team is now looking to invest further to increase market share by targeting those sectors where Thorlux is traditionally strong.

The target for Famostar for the coming year, 2026/27, is to build off the growth of previous years across the domestic emergency lighting market and by developing further Thorlux product sales. These segments have benefited from ongoing investment in products and people in recent years, and this is set to continue into the new financial year.

¹ Constant currency shows percentage change in sales in the company's local currency

Operational and financial review continued

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Kodio Offices, Podgorica, Montenegro

Zemper

Zemper, the Group's emergency lighting specialist, continues to deliver. Investments in products, manufacturing capacity and sales presence have all supported the improvement in operating results again this year. This now makes Zemper the second largest company in the Group by revenue and profit, despite the long-term significant cost of investments in product developments and salespeople for new markets since the company joined the Group in 2022.

Revenue

£24.6m

(2025: £21.9m)
+13% (2025: +13%)
(constant currency +9%¹
(2025: +16%))

Zemper derives its business from multiple countries and, in more recent times, by supporting manufacturing for the wider Group both in terms of injection moulding and electronics. The Spanish market was flat during the year; growth from other European territories supported the revenue for 2025/26.

ALIOTH continues to gather momentum. This technically advanced dynamic emergency exit signage system, developed entirely at Zemper, is now in its second phase at a major European airport and has also been trialled at some other mass transport hubs. A number of opportunities

for the ALIOTH system are being developed, as well as the integration of this technology into other Group companies' product ranges. The Group sees significant opportunities for this type of high-tech emergency lighting system in the longer term.

Zemper's enthusiastic contribution to synergy projects sets the benchmark for other companies. Also, Zemper's experience in injection moulding and emergency lighting electronics makes it well placed to support other Group companies with these requirements, lowering their costs and improving margins.

Zemper continues to target new export countries, either working alongside existing Group companies or with a direct approach. The Group expects to see further positive momentum in northern Europe in the future.

As for 2026/27, Zemper starts the new financial year with a strong order book. The challenge will be maintaining the results achieved as well as aspiring to deliver on investments in the product portfolio and people commenced in previous years.

¹ Constant currency shows percentage change in sales in the company's local currency

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Image: Houtse Heuvel, Den Hout, Netherlands

Operational and financial review continued

Financial review

The directors have pleasure in submitting their Annual Report and the audited financial statements of the Group and the Company for the year ended 30 June 2026.

Results and dividends

Revenue remained solid at £172.9m with operating profit robust at a similar level to last year at £31.8m. Any additional contribution by recent acquisitions are dampened by acquisition related adjustments¹ as disclosed in our segmental analysis.

The increase in Group profitability has been driven by a standout year from Zemper, Famostar and Solite. Solid results from the majority of other UK companies this year also supported the overall operating profit.

Operating profit before acquisition adjustments reached £33.0m¹ (2025: £32.9m), up 0.4%. Investment in selling activities weighed on results but are expected to deliver growth in the future.

Both of our most recent acquisitions, Zemper and Schahl, made positive contributions of £5.0m (2025: £4.6m), before amortisation of acquisition, related intangible assets. Given the Group has committed to acquiring the remaining shares over the next few years, we account for 100% of the revenue derived by these companies but adjust the operating profit for intangibles valued at acquisition and profit before tax to reflect the minority shareholding. For added complexity, Schahl predominantly distributes Thorlux products, so there are further adjustments at a revenue and operating profit level.

The remaining UK companies all posted solid contributions with improvements in the main, however, the overall results for the other companies solidified with Australia delivering similar results to last year.

Basic earning per share increased by 9.4% following a 6.5% increase in profit after tax and supported by the Group's share buybacks during the year.

The taxation charge represents an effective rate of 16.5% (2025: 19.6%). The effective tax rate is lower than the Group's weighted average of tax rates for the countries we operate in primarily due to patent box relief driven by the Group's product innovations and tax allowances for investments.

Net assets increased by £5.8m to £195.5m. Cash generation from operating activities remained strong at £30.8m. The overall cash position, including short-term financial assets fell by £6.3m due to increased share repurchases, increased dividends and payment of redemption liabilities, with the latter leading to a reduction in finance costs. Despite this we have maintained similar returns on our cash holdings.

In April 2026, the Company paid an interim dividend of 1.81p per share (2025: 1.76p) amounting to £2,048,000 (2025: £2,063,000) and a special dividend of 2.60p per share (2025: 2.50p) amounting to £2,942,000 (2025: £2,934,000). A final dividend of 5.53p (2025: 5.36p) per ordinary share is proposed amounting to £6,197,000 (2025: £6,149,000) If approved, the dividends will be paid on 4 December 2026. Total dividends paid during the year amounted to £11,139,000 in aggregate (2025: £10,958,000). The final dividend for 2025 was paid on 28 November 2025.

Cash and liquidity management

The Group's cash is managed in accordance with the treasury policy. Cash is managed centrally on a daily basis to ensure that the Group has sufficient funds available to meet its needs and invest the remainder. The majority of cash is placed with approved counter-parties either on overnight deposit or time deposit. There are a series of time deposits that are maturing on a rolling cycle in order to meet regular business payments, with a margin for larger regular and one-off payments as well as seasonal variation in cash requirements.

The Group primarily trades in sterling. There is an exposure to foreign currency as the Group buys and sells in foreign currencies and maintains currency bank accounts in US dollars, Australian dollars, UAE dirhams and euros. The activities of buying and selling in foreign currency are broadly matched with currencies bought and sold as required in order to minimise currency exposures. Larger exposures would be hedged in order to reduce the risk of adverse exchange rate movement. There were no currency hedging derivatives in place as at 30 June 2026 or 30 June 2025.

Pension scheme position and funding

The latest triennial actuarial valuation was completed as at 30 June 2024. This valuation showed that the pension scheme position remains in surplus and a funding level for the future has been agreed between the trustees of the scheme and the directors of the Company. The directors consider it unlikely that any changes to the present funding levels will have any significant effect on the strength of the Company's statement of financial position. The scheme has been closed to future accrual from 30 June 2026.

Group research and development activities

The Group is committed to research and development activities in order to maintain its market share in the sectors and territories we operate. These activities encompass constant development of both new and existing products to ensure that a leading position in the lighting market is maintained.

During the year the Group spent £4,806,000 (2025: £4,487,000) on research and development, which includes internal labour. Of this amount, £2,870,000 (2025: £2,627,000) was capitalised and £1,936,000 (2025: £1,860,000) expensed.

Property, plant and equipment

The directors are of the opinion that the market value of the freehold land and buildings is in excess of their net book value. Whilst it is considered that the market value is significantly greater than the net book value for many of the Group's properties as a result of being acquired between 6 and 37 years ago, management considers that undertaking formal valuation exercises would be costly for limited value and, consequently, no formal exercise has been undertaken.

Investment this year was at a similar level compared with previous years. Capital expenditure included investments in more energy efficient production equipment and replacement of company cars with electric vehicles, all continuing to solidify our sustainability credentials.

Creditor payment policy

The Group's policy concerning the payment of its trade creditors is to accept and follow the normal terms of payment among suppliers to the lighting industry. Payments are made when they fall due, which is usually on the day after the end of the calendar month following the month in which delivery of goods or services is made. Where reasonable settlement discount terms are offered for early payment, these terms are usually taken up. The number of days represented by the Company's year-end trade payables is 54 (2025: 53). The Group continues to report on payment practices and performance as per UK legislation.

Internal financial control

During the year, a member of the Group finance department has visited all operating sites to assess their compliance with a selection of key control procedures and any non-compliance reported to the Group Board. Any areas of non-compliance noted as part of this process have been addressed.

In addition, the executive directors regularly visit all operating sites and review with local management financial and commercial issues affecting the Group's operations. Regular financial reporting includes rolling forecasts and monthly financial reports comparing performance against plan as well as the previous year. These reports are reviewed locally with a Group representative and monitored by the Group Board. Accordingly, the directors do not consider that an internal audit department is required.



Craig Muncaster
Chief Executive,
Group Financial Director and
Company Secretary

1 October 2026

£172.9m

Group total revenue (£m)

(2025: £175.2m)

£195.5m

Net assets (£m)

(2025: £189.8m)

£31.8m

Group operating profit (£m)

(2025: £32.1m)

£30.8m

Net cash generated from operations (£m)

(2025: £33.2m)

¹ Please refer to note 2 on page 112

Section 172

Stakeholder engagement

The Group has the responsibility for managing the challenges that affect the business on a daily basis; this also includes our impact on our key stakeholders. Our ability to engage and work constructively with these stakeholders underpins the long-term success and sustainability of the Group.

Key stakeholders and how we engage with them:

The directors are aware of their duty under Section 172(1) of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and, in doing so, have regard (among other matters) to:

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

The Board considers its key stakeholders to be its employees, customers, shareholders, suppliers and the communities and environment we operate within.

Employees

Why we engage

The right people, capabilities and engagement across the Group is the platform to drive our long-term success.

How we engage

- Employee committees
- Health and safety committees
- Employee appraisals, training and development
- Communication via web portal, notices and Company newsletter
- Group Board meetings held periodically at different company sites

Customers

Why we engage

Understanding the needs of our customer is fundamental. We aim to deliver the correct technical solution, professional service, sustainability of products/services and support the customer during a product's warrantable life and beyond.

How we engage

- Meetings/maintaining close relationships via regional sales or business development teams
- Providing Continuing Professional Development seminars and education opportunities
- Company websites
- Customer specific events including trade shows
- Order execution – from lighting design, through to delivery, installation and commissioning

Shareholders

Why we engage

Trust from our shareholders is key to delivering our strategy and long-term success. We endeavour to provide fair, balanced and meaningful information to shareholders and potential investors to ensure they understand our performance and strategy.

How we engage

- Trading updates at appropriate times
- Regulatory News Service
- Investor meetings and presentations, including company visits
- Dedicated Group website
- Annual and Interim reports
- Annual General Meetings

Suppliers

Why we engage

We need to maintain reliable relationships with suppliers for mutual benefit and ensure they are meeting our standards, from value for money and quality, through to business ethics.

How we engage

- Meetings and negotiations with key suppliers
- Site visits
- Quality management reviews and audits
- Attending supplier forums and trade shows

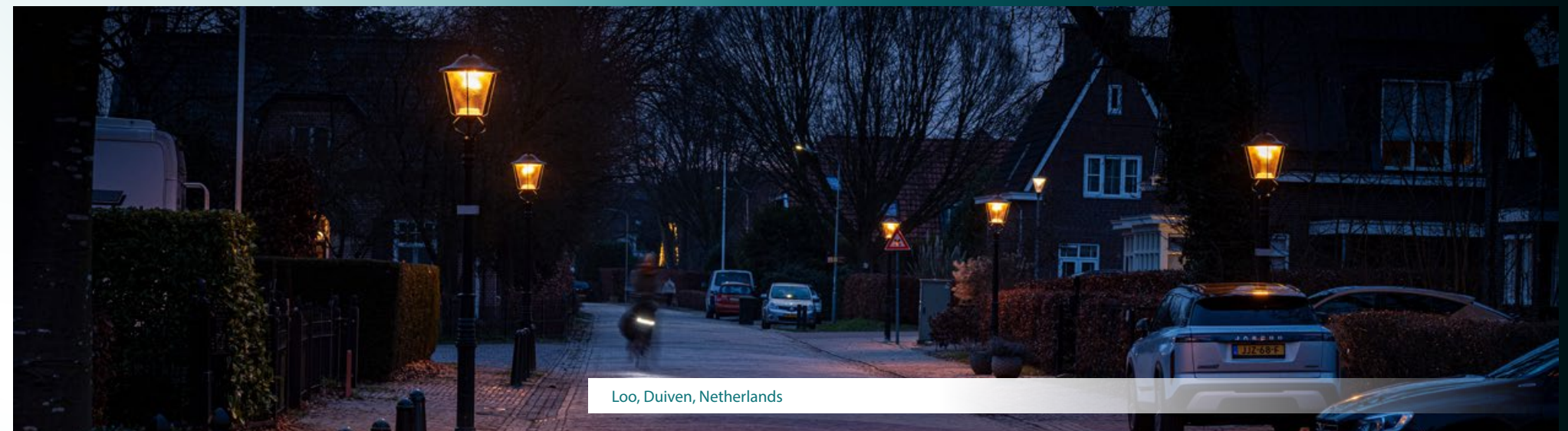
Communities and environment

Why we engage

The Group is committed to being a responsible member of the community and considers the environmental impacts of the customers' use of our products as well as our own operations.

How we engage

- Support local and national charities
- Engagement with local MPs and Chambers of Commerce
- Members of appropriate trade and industry bodies
- Carbon offset scheme in place since 2009, accredited under the Woodland Carbon Code
- Recent investment in solar panels in the UK, Netherlands and Spain facilities
- Products and systems support energy saving and carbon reduction – London Stock Exchange Green Economy mark in 2020
- SBTi commitment to achieve net-zero by 2040



Loo, Duiven, Netherlands

Our Sustainability journey

Its importance and our response

Sustainability is a core principle at FW Thorpe Plc, reflected in the Group’s strong and consistent record of positive environmental action.

As a leading lighting manufacturer the Group recognises that its most significant environmental impact is carbon emissions. FW Thorpe has been measuring its direct carbon emissions for over a decade, taking early meaningful steps to mitigate them through a combination of initiatives. These include two major tree-planting schemes to offset emissions, as well as the installation of extensive rooftop solar photovoltaic (PV) systems across its manufacturing sites to reduce reliance on fossil fuels.

The Group’s commitment to product and materials research ensures its lighting solutions remain at the forefront of energy efficiency. SmartScan, its award-winning lighting control system, is among the most widely adopted in the industry, helping end users significantly reduce both energy costs and carbon emissions. In response to growing demand for a more circular economy, FW Thorpe designs its products with longevity in mind, supporting them with readily available spare parts, upgrade kits and expert local product support.

Customer expectations, major project specifications, government regulations, climate-risk disclosures and increasingly urgent environmental data all reinforce the need for FW Thorpe to continue advancing its sustainability efforts. The Group actively assesses its impact across key areas including the environment, labour and human relations, ethics, and sustainable procurement. To ensure meaningful progress, maintain transparency and strengthen stakeholder trust, FW Thorpe is enhancing its data logging, verification processes and performance measurement using industry-recognised sustainability metrics.

The journey so far: the Group’s progress

1994

First energy-saving products introduced, controlling lighting and reducing energy consumption

2009

FW Thorpe begins carbon offsetting with tree-planting project certified by Woodland Carbon Code

2012

FW Thorpe becomes carbon neutral as a Group¹

2016

Thorlux, the main revenue driver for the Group, introduces wireless controls technology to monitor and save energy usage, called SmartScan

2020

FW Thorpe receives the Green Economy Mark on the London Stock Exchange

2022

FW Thorpe officially recognised as being carbon neutral since 2012 through independent verification¹

2023

The Science Based Targets initiative (SBTi) validates FW Thorpe’s target to be net zero by 2040

2024

The Oaken, an innovative wooden-bodied street light, achieves the highest-ever TM66 circular economy score

2025

First trees planted and biodiversity initiatives introduced at the Brook Woodland

2026

Thorlux invests in battery electric and HVO-fuelled delivery fleet reducing its transportation emissions by 40%

¹ Professionally assessed by independent third party, includes carbon-offsetting projects

Environmental impact

As a major manufacturer of professional lighting systems, the Group’s most significant environmental challenge is greenhouse gas (GHG) emissions, primarily carbon. These emissions are categorised into three scopes, based on their source within the product life-cycle or the Group’s business.

The Science Based Targets initiative (SBTi) has validated that FW Thorpe Plc’s science-based greenhouse gas emissions reduction targets conform to the SBTi Corporate Net Zero Standard. The standard includes the guidance, criteria and recommendations that companies need to set science-based net-zero targets consistent with limiting global temperature rise to 1.5°C.



Scope 1, Scope 2 and Scope 3 (Category 1) emissions arise from the supply chain – including resource extraction – as well as from manufacturing and distribution. These are collectively referred to as the embodied carbon of the products FW Thorpe produces.

Emissions generated during the use phase of the products, unless products are powered entirely by renewable electricity, are classified as Scope 3 emissions for FW Thorpe. These same emissions are then recorded as Scope 2 emissions by the end user.

Emissions reduction targets

FW Thorpe Plc commits to reach net-zero greenhouse gas emissions across the value chain by 2040.



Near-term targets

FW Thorpe Plc commits to reduce absolute Scope 1 and 2 GHG emissions 57.5% by 2030 from a 2021 base year.

FW Thorpe Plc also commits to reduce absolute Scope 3 GHG emissions 25% within the same timeframe.

Long-term targets

FW Thorpe Plc commits to reduce absolute Scope 1 and 2 GHG emissions 90% by 2040 from a 2021 base year.

FW Thorpe Plc commits to reduce absolute Scope 3 GHG emissions by 90% within the same timeframe.



Alignment with the Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) were launched in 2015 by the United Nations (UN). The SDGs aim to end poverty and create a life of dignity and opportunity for all, within the boundaries of the planet. Global sustainable development priorities and aspirations for 2030 are defined which seek to mobilise global efforts among governments, business and civil society around a common set of targets.

FW Thorpe’s activities align most closely with six UN SDGs, covering the themes of good health and wellbeing, affordable clean energy, decent work and economic growth, sustainable towns and cities, responsible consumption and production, and climate action.

Sustainability in action

Sustainability is embedded in all aspects of FW Thorpe’s operations and is a key consideration in delivering the Group’s strategic pillars: product leadership through high-quality innovation, expansion of the sales base, manufacturing excellence, and the development of talented, high-performing people.



Products

Action	Delivers
Year-on-year improvement of product efficacy	Competitive advantage, reduction in the Group’s Scope 3 carbon towards net-zero goal and reduction in end users’ Scope 2 carbon
Smart controls	Competitive advantage, reduction in the Group’s Scope 3 carbon towards net-zero goal and reduction in end users’ Scope 2 carbon
Lengthened product lifetimes and warranties	Competitive advantage, and supports the circular economy by keeping products in use as long as possible
Innovative materials	Competitive advantage, and product marketing advantage. Lower carbon and/or more recyclable materials
Material reduction	Reduces embodied materials; impacts especially embodied carbon without loss of product quality, as well as reduced cost

Sustainability in action

The development of sustainable high-volume products delivers some of the Group’s most significant environmental benefits. Both Portland Lighting and Thorlux Lighting applied this principle in the development of Ecolux and G3 Evo, placing efficiency, recycled materials and circular economy principles at the heart of their design.

The extruded body and cast end caps of Portland Lighting’s Ecolux signage lighting are made of 80% and 100% recycled aluminium respectively; these together with high efficiency optical lenses made from bio-plastic and powder coat containing 25% recycled content all combine to lower embodied carbon.

For the G3 Evo, development focused on simplifying production, improving optical efficiency, increasing the use of recycled materials, and enabling straightforward disassembly for future upgrades. All plastic parts are manufactured from 76% recycled material sourced from waste streams such as CDs, vehicle headlamps and packaging waste. The luminaire has achieved a third-party verified Chartered Institution of Building Services Engineers (CIBSE) TM66 score of 2.9, the highest recorded for a downlight.



People

Action	Delivers
Major employer in a green economy manufacturing industry	Provides high quality, stable and responsibly paid employment to the communities we are based in
Training and development	Enhances productivity, knowledge, performance and staff retention
Employment of young people and support of apprenticeships	Delivers a future skilled workforce, with higher retention and lower recruitment cost
Increased focus on sustainable procurement	Further risk reduction of child labour and/or poor labour and human rights conditions in our supply chain. Leadership in and dissemination of our ethical values

Sustainability in action

Thorlux is taking practical action to address the challenge of young people not in education, employment or training, whilst helping to develop the skills needed for the industries of the future.

As part of an ongoing commitment to supporting young people in the local community, members of the Thorlux team volunteered at the annual mock interview day hosted by St Augustine’s Catholic High School. The event provides Year 10 and Year 12 pupils with valuable experience of engaging with external professionals, helping them build confidence, improve communication skills, and gain insight into the world of work.

Supporting local schools and inspiring the next generation of talent is a priority across the Group. Initiatives such as this play an important role in encouraging young people to explore career opportunities, particularly within engineering and manufacturing, whilst helping to strengthen the future skills pipeline.

The value of this long-term investment is already evident within the business. Thorlux apprentice Jacob has played a significant role in the commissioning of new energy-efficient manufacturing plant, whilst graduate apprentice Dominik is supporting the implementation of the company’s product life-cycle assessment (LCA) programme.



Operations (process)

Action	Delivers
Major rooftop solar photovoltaic (PV) installations on our manufacturing sites	Scope 2 carbon reduction, part of net-zero journey, lower energy costs and competitive advantage of lower embodied carbon in products
Completion of first major tree-planting scheme, and continued planting at second	Evidence-based carbon offsetting, positive sustainability and biodiversity story, social value through land access
Use of 100% renewable electricity	Scope 2 carbon reduction, part of net-zero journey and competitive advantage of lower embodied carbon in products
Continued move to electric vehicles (EVs) in car fleet	Scope 2 carbon reduction and improved air quality in areas where we drive
Move to electric vans and hydrotreated vegetable oil (HVO) fuel in new HGV fleet	Major reduction in Scope 1 emissions
Increased focus on sustainable procurement	Reduced embodied carbon in supply chain

Sustainability in action

Improving the energy performance of our buildings remains a key focus in reducing operational carbon emissions. During the winter, uncontrolled air leakage can be a significant source of heat loss and occupant discomfort. Enhancing building airtightness reduces heating demand and, consequently, lowers Scope 1 or Scope 2 carbon emissions, depending on the energy source used.

Both Thorlux and TRT Lighting have implemented measures to improve building airtightness, primarily through the installation of air curtains on delivery and entrance doors. Thorlux adopted a cold-air curtain solution, whilst TRT Lighting installed heated air curtains. Following these improvements, TRT further enhanced energy efficiency by introducing infrared heating to warm production cells more effectively and precisely.

At the Thorlux manufacturing facility, two ageing bending machines reached the end of their primary operational life and were replaced with new Salvagnini machines that are approximately 80% more energy efficient. Rather than being scrapped, the original machines have been retained in secondary support roles, extending their useful life and maximising the value of the embodied materials and resources already invested in their manufacture.



Growth of sales base

Action	Delivers
Continued growth of Ratio’s EV charger sales	Move away from carbon-based fuels in transport
Innovation in smart products	Low-carbon buildings, smart buildings and green economy
Refurbishment projects and reuse kits	Support for new circular economy business models, competitive advantage of local manufacturing, reduced virgin raw materials extraction, and lower embodied carbon

Sustainability in action

As the transition to electric vehicles (EVs) accelerates, ensuring charging infrastructure is accessible to all users is becoming increasingly important. In the UK, the Publicly Available Specification PAS 1899: Electric Vehicles Accessible Charging sets out accessibility requirements, including reach heights and usability considerations for wheelchair users.

Ratio has responded to this need with the introduction of its io7 City and io8 City chargers. Designed specifically for public charging applications, both products are fully compliant with PAS 1899 and are available with twin 22 kW or 7.4 kW charging sockets. The io8 City also incorporates integrated area lighting, further enhancing accessibility, safety and user experience within public spaces.

By combining inclusive design with reliable charging technology, these products help support the wider adoption of electric vehicles, whilst ensuring charging facilities remain accessible to all.



Reporting and metrics

Metrics are one of the key ways FW Thorpe reports its sustainability performance.

Such tools give investors, specifiers, customers and management clarity and transparency, by quantifying the Group's sustainability performance, and provide transition tools that help the Group plan and report on its sustainability journey.

The Group has carefully chosen the metrics it uses, often based on each metric's ability to provide useful compatibility and benchmarking between products or companies.



TM65.2

The Chartered Institution of Building Services Engineers' (CIBSE's) TM65.2 is a standardised, nationally accepted method of estimating the embodied carbon in a lighting product.

TM66

CIBSE's TM66 is a standardised, nationally accepted method of evaluating the circular economy capability of a lighting product. TM66 has the added benefit of a third-party, independent verification from the Lighting Industry Association.

One of the Group's products, Oaken/Acorn, released in 2024, currently holds the highest score ever achieved, 3.1 out of 4.0. The new G3 Evo released in 2025 scored 2.9, the highest-ever third-party verified TM66 score for a downlight.

LCAs and EPDs

Group companies use life-cycle assessments (LCAs) and their output environmental product declarations (EPDs) as part of their product development process.

CDP (formerly the Carbon Disclosure Project)

One of the parent organisations of SBTi, CDP is an independent global environmental disclosure system reporting on the risks associated with greenhouse gas emissions, climate change and water security. It looks at transparency, awareness, risk management and demonstrated environmental leadership.

EcoVadis

EcoVadis is an internationally accepted third-party platform that provides sustainability ratings for companies, helping them assess and improve their environmental, social and governance (ESG) performance. EcoVadis focuses on the four key pillars of ESG: environment, labour and human relations, ethics, and sustainable procurement. Thorlux first engaged with EcoVadis in 2024, and currently has a silver score. Group companies Famostar and Zemper have also achieved EcoVadis silver ratings, reflecting a shared commitment across the Group to continuous improvement in sustainability performance and responsible business practices.

Climate-related financial disclosures

The Companies Act makes it mandatory for FW Thorpe Group to disclose climate-related risks and opportunities. The Group employs competent consultants to assist in the process, which includes a formal annual review.

An example of a past risk was the EU's banning of incandescent lamps as part of an initiative to improve the efficiency of energy-related products. The industry's response was the move to compact fluorescent lamps and then LEDs, which at first required investment, innovation and risk, but has since become a driver for growth.

The full report on climate-related financial disclosures (the non-financial and sustainability information statement) can be found on pages 56 to 65.

BS EN 14064-3 Verification and validation of greenhouse gas statements

Starting in 2025 the Group gained third-party reasonable assurance of its past data and future projections and plans according to ISO 14064-3.

Sustainability actions



Famostar

Sustainable logistics in practice

Sustainability was a key consideration in the renovation of the Nieuwe Post building in Arnhem, the Netherlands, where the project team sought to maximise the reuse of existing materials. Old window frames, cable trays and even washbasins were repurposed, extending the life of valuable resources and reducing the need for new materials.

Where new products were required, the project team partnered with suppliers that shared the same commitment to sustainability. Among them was Famostar, which supplied LED and emergency lighting manufactured locally in nearby Velp. In a simple yet innovative approach to reducing

environmental impact, Famostar delivered the lighting to site by cargo bike. The initiative eliminated transport-related emissions for the delivery, whilst also providing a practical solution for navigating the busy city centre.

As explained by Famostar, the close proximity between its manufacturing facility and the project site created an opportunity to rethink conventional logistics. While modest in scale, the initiative demonstrates how local production, thoughtful planning and low-carbon transport can contribute to more sustainable construction projects. It also highlights how collaboration across the supply chain can help identify practical ways to reduce emissions and support broader environmental goals.

Thorlux Lighting

University of Wolverhampton Library retrofit

A significant lighting refurbishment at the Harrison Library, the largest library facility at the University of Wolverhampton, demonstrates the sustainability benefits of combining energy-efficient LED technology with a retrofit approach. Rather than replacing the existing linear luminaires in their entirety, bespoke Thorlux LED retrofit light engines were designed to integrate into the existing luminaire bodies, allowing more than 340 fittings to be upgraded while retaining the original infrastructure.

By preserving the existing luminaire housings and replacing only the components required to modernise the installation, the project significantly reduced material waste associated with the refurbishment and embodied carbon linked to manufacturing and disposal. The upgraded installation also incorporated SmartScan wireless lighting controls, enabling luminaires to respond automatically to

occupancy and available daylight, ensuring energy is only used when and where it is needed.

The combination of LED retrofit technology and intelligent lighting controls has delivered substantial operational savings, reducing lighting energy consumption by 84% compared with the previous fluorescent installation. This equates to annual savings of more than £63,500 and a reduction in carbon emissions of over 45 tonnes CO₂e per year.

The project highlights how retrofit solutions can extend asset life, minimise waste and deliver significant reductions in both operational energy use and carbon emissions, supporting customers in their transition towards more sustainable buildings.



TRT Lighting

Community engagement supporting a worthy cause

At TRT Lighting, sustainability extends beyond environmental responsibility to making a positive contribution within the local area. During the year, the Redditch manufacturing facility welcomed members of a long-established local walking group for a behind-the-scenes tour of its operations.

After seeing coverage of TRT's National Manufacturing Day school visit, the Arrow Valley Community Group contacted the business to learn more about its manufacturing activities. The independent walking club has been part of Redditch since 1953 and, alongside its walks and social events, organises regular 'discovery' visits to places of interest across the region.

The visit provided an opportunity to showcase the people, skills and manufacturing expertise at TRT, while strengthening local connections and promoting a greater understanding of modern manufacturing.

Climate-related Financial Disclosures

Compliance statement

As an AIM-listed company employing more than 500 people, FW Thorpe Plc (“FW Thorpe” or “the Group”) falls within the scope of the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. This report has been produced to comply with the Climate-related Financial Disclosure (CFD) recommendations, presenting the Group’s disclosure for the 2026 reporting period in line with all eight mandatory CFD requirements.

Governance

In line with the 2023 QCA Code, climate-related considerations are embedded in business strategy, goal setting, investment prioritisation, and key action plans, and are supported by annual sustainability targets, employee education, and Group greenhouse gas (GHG) emissions reduction targets.

Responsibility for climate risk is clearly defined across the climate risk management process. Table 1 below sets out ownership, review frequency and reporting lines for each stage, whilst the full climate risk management process is described in the Risk Management section on page 57.

Table 1: Climate governance roles and responsibilities.

Body and stage	Role
The Board Ultimate responsibility and oversight	Frequency: Climate change is a standing agenda item at quarterly Board meetings. The Board combines expertise in finance, operations, and industry, enhanced this year through climate capacity-building by our third-party ESG consultants, Inspired ESG. The Board delegates the annual identification, assessment and management of climate-related risks and opportunities to the CEO and the Group Sustainability Committee, whilst retaining ultimate responsibility and oversight. Meeting agendas cover product research and development (R&D), decarbonisation, resource management, carbon offsetting, and climate considerations in capital expenditure and performance objectives. The Board exercises its oversight through its annual review of the climate risk register and quarterly CEO updates on performance, risks, opportunities and progress against targets.
Chief Executive Officer (“CEO”) Assess, manage and sign off	Frequency: Quarterly updates to the Board; attends the annual climate workshop. The CEO owns the climate risk register, compiled by Inspired ESG following the annual climate risk workshop. The 2026 register was informed by the 7 April 2026 climate workshop, attended by the Committee, the CEO and the Group Financial Controller, and formally approved by the CEO on 5 June 2026. Material climate-related matters are escalated to the Board through formal Board papers as required.
Group Sustainability Committee (“the Committee”) Identify, assess and monitor management	Frequency: Meets quarterly, since February 2025. Leads the annual applicability review (February to March) and climate workshop (April). Core membership comprises the Group Sustainability Lead (Chair), the Product Sustainability Lead, and the Sustainability Director. The Committee leads the annual applicability review and climate workshop, with support from Inspired ESG. It then reviews mitigation measures proposed by subsidiary management. Decisions are communicated through, and implemented in collaboration with, a named Sustainability Champion in each Group subsidiary. This year’s Committee meetings reviewed progress against the Science Based Targets initiative (SBTi) 2030 Scope 1 and 2 targets, life-cycle assessment work, third-party carbon verification requirements, and external reporting commitments, including Carbon Disclosure Project (CDP) and EcoVadis. During 2026, the Committee also oversaw development of a new Materials Policy covering recyclability, durability and embodied carbon.
Subsidiary Managing Directors and Sustainability Champions Manage	Frequency: Quarterly local meetings, and Subsidiary Board meetings with mitigation implementation ongoing. Guided by the Committee, each Subsidiary Managing Director (MD) is responsible for local sustainability and climate initiatives, implementing and overseeing agreed mitigation measures locally and reporting Key Performance Indicators (KPIs) to the Committee. Reporting operates through two channels: sustainability updates delivered to the CEO at subsidiary board meetings, and progress shared at the quarterly Group Sustainability Committee meetings. This dual approach keeps individual subsidiary performance managed directly with the CEO, whilst broader progress and knowledge-sharing are coordinated at the Group level. Each business has a named Sustainability Champion, who collaborates directly with the Committee to cascade decisions and feed local observations back into the annual applicability review.
Remuneration Committee Reward	Frequency: At least annually. The Remuneration Committee reviews executive remuneration, including performance incentives, share schemes and pensions. A Carbon Reduction Target accounts for 10% of the Long-Term Incentive Plan (LTIP), which is assessed over a five-year period. The current reporting year is Year 3 of the assessment cycle. Further details on directors’ remuneration and share interests are provided on pages 82 to 85.

Risk Management

Each year, the Group undertakes a structured assessment of climate-related risks and opportunities. Climate-related risks are identified and assessed using a dedicated methodology tailored to the nature of climate risk, distinct from the Group’s general risk identification process. The outputs of this assessment are then integrated into the Group’s wider risk management framework. Material climate-related risks are incorporated into the Group risk register and reflected within the Principal Risks and Uncertainties, pages 66 to 67. Climate risks are assessed at the Group level and translated into subsidiary-specific actions, as outlined in Steps 1–3 below.

Step 1: Identification

The Group undertakes the climate risk identification process on an annual basis. In 2026, the Group introduced the applicability review as a new preliminary step ahead of the climate workshop, refining the climate risk identification process used in prior years. Facilitated by Inspired ESG across six sessions in February and March, the Committee reviewed a baseline list of thirteen transition risks, seven physical risks and five climate-related opportunities against the Group’s current operational and

market context, considering evidence of current business impacts alongside external signals including EcoVadis and CDP results and emerging regulation to confirm continued applicability. For physical risks, evidence of current business impacts included an Inspired ESG-facilitated survey of site managers, confirming whether climate-related impacts, such as heatwaves or storm damage, had already been experienced at their sites. Eleven transition risks, all seven physical risks and four opportunities were confirmed applicable and carried forward for scoring (see Step 2, Assessment). The risks and opportunities that did not progress are explained in the Strategy section below.

Climate change was first classified as a principal risk by the Board in March 2023 and has been reaffirmed annually since, most recently in March 2026 following discussions during the Group’s climate risk workshop (see Principal Risks and Uncertainties, pages 66 to 67). Between annual reviews, business-level sustainability teams monitor emerging climate-related issues and escalate significant matters to the Board.

Step 2: Assessment

Applicable climate-related risks and opportunities are assessed annually

through climate scenario analysis undertaken by Inspired ESG using three warming scenarios (see Strategy below). Each risk and opportunity is assigned a gross score, calculated by multiplying likelihood and impact across financial, operational and reputational effects, before existing controls are considered. Likelihood is scored from 1 (unlikely) to 5 (almost certain), and impact from 1 (low) to 5 (catastrophic). Gross scores of 15 or above are prioritised first for mitigation, followed by scores of 10 to 14 and 1 to 9.

Residual scores are then determined at the annual climate workshop, held on 7 April 2026 and attended by the Committee, the CEO and the Group Financial Controller (see Governance, Table 1), after existing controls and mitigations have been considered. Mitigations proposed by subsidiary management are reviewed by the Committee ahead of the workshop.

Risks with a residual score of 10 or above are considered material (Table 2), whilst lower-scoring risks continue to be monitored through the Group’s standard risk management cycle. The CEO signed off on the resulting risk register on 5 June 2026, before mitigation actions proceeded.

Table 2: Residual risk factor after control(s) applied.

Score	Description
15–25	The identified risk is material to the business and requires intensive monitoring.
10–14	The identified risk is material to the business, requires mitigation, and is actively monitored.
1–9	The identified risk is not material to the business but continues to be monitored.

Step 3: Management

Depending on materiality, cost-effectiveness and technical feasibility, the Committee and subsidiary MDs consider whether to mitigate, transfer (for example, through insurance), accept, or actively control each risk. In 2026, residual risks were addressed through mitigation and ongoing monitoring rather than transfer or acceptance. For example, a site visit by the Committee identified Scope 1 reduction opportunities at a subsidiary, resulting in the installation of heat curtains and insulation improvements, with actions recorded in the meeting minutes and implementation tracked. Roles, ownership and reporting lines for this stage are set out in Governance, Table 1, page 56.

Strategy

The Group’s SBTi-validated targets continue to guide its strategy (see Metrics & Targets, Table 6, page 62). The Group continues to monitor evolving climate regulation and is progressing solar PV expansion, Woodland Carbon Code-certified offsetting, and an assessment of internal carbon pricing to stay ahead of regulatory change.

Climate scenarios analysis

Climate scenario modelling was completed by Inspired ESG in March 2026, using the Intergovernmental Panel on Climate Change’s (IPCC’s) Representative Concentration Pathways, the International Energy Agency’s (IEA’s) World Energy Model (WEM), and the Network for Greening the Financial System (NGFS) scenarios, which were selected for their

alignment with CFD recommendations and ISO 14091 (Adaptation to climate change). Methodology and underlying assumptions, including global emissions trajectories, policy stringency and technology cost curves, are unchanged from the prior year, other than the Group’s new applicability review (see Risk Management above), which now sits ahead of this analysis as a preliminary filtering step. Whilst climate scenarios are based on credible models, they project hypothetical futures and carry inherent uncertainty. Scenario analysis is therefore used as a guide for understanding and managing climate-related risks and opportunities, rather than a precise prediction.

Climate-related Financial Disclosures

continued

Three scenarios were applied (see Table 3), including a sub-2°C pathway consistent with guidance to keep warming within 1.5 to 2.0°C. The Proactive pathway (<2°C by 2100) reflects rapid global decarbonisation in line with the Paris Agreement. The Reactive pathway (2 to 3°C by 2100) reflects inconsistent global climate action. The Inactive pathway (>3°C by 2100) reflects limited global action and dominant physical risk.

Each scenario was assessed across short, medium and long-term horizons (see Table 3). The short-term period (2025 to 2029) aligns with the Group's standard business planning and capital investment cycle, capturing risks and opportunities

relevant to current budgeting decisions. The medium-term period (2030 to 2039) captures the resolution of the Group's 2030 near-term emissions targets, and the broader regulatory and market shifts expected as global decarbonisation accelerates through the decade. The long-term period (2040 to 2054) extends beyond the Group's 2040 and the UK's 2050 net-zero commitment, reflecting the asset lives of long-lived infrastructure and equipment, as well as the timeframe over which chronic physical risks are expected to intensify.

The Group's climate exposure spans transition and physical risks. Transition risks arise from regulatory, market and

technological shifts towards net zero, whilst physical risks arise from acute events and chronic climate changes, both of which could impact operations, supply chains and employee wellbeing across the Group's global sites. Transition risks and opportunities are assessed at the Group level, whilst physical risks are assessed at the site level across FW Thorpe's 13 operational sites, reflecting local exposure. Supply chain exposure is assessed separately, through scenario analysis of the Group's top ten suppliers by spend, covering transition risks such as raw material availability and cost, and physical climate risks affecting supplier operations.

Analysis of Results

As set out in Risk Management, page 57, two transition risks and one opportunity did not progress at the applicability stage. Increased stakeholder concern and sector stigmatisation were excluded, given existing disclosure practices and the sector's generally climate-positive reputation, whilst the resilience opportunity was reclassified as an outcome of existing strategic initiatives rather than a standalone opportunity, reducing the number of material opportunities from five to four compared with the previous year.

Following the workshop, one transition risk (Table 4) exceeded the Group's materiality threshold on a residual basis

for the first time, compared with no material risks identified in the previous year. This reflects rising actual costs from mandatory and voluntary emissions-reporting obligations, which have shifted from anticipated to actively experienced impacts on the Group's operations, increasing internal and third-party ESG support costs across the business and its supply chain (see Table 4 for further detail). No physical risks were assessed as material across the Group's operational sites or its assessed supply chain, reflecting mitigations that have brought residual exposure below the materiality threshold. Heatwaves and storm-related precipitation affect the vast majority of the Group's sites and suppliers, with impacts mitigated through

adjusted working patterns and workplace protections during extreme heat, and through refurbishment that has reduced storm-related water ingress. Only a small number of sites and suppliers are at risk of flooding or sea-level rise, and this risk is addressed through pre-acquisition and annual flood risk assessments and by relying on established national flood defences at coastal sites, such as in the Netherlands.

Four opportunities were confirmed as material (Table 5). The Group's climate strategy is inherently opportunity-led: the same strategic choices that reduce its risk exposure also unlock opportunity in energy self-sufficiency and resource efficiency.

Table 3: Scenario pathways and time horizons.

Scenario	Short-term (2025-2029)	Medium-term (2030-2039)	Long-term (2040–2054)
Proactive (<2°C by 2100)	Impact: Accelerating global decarbonisation drives tightening low-carbon regulation and rising customer expectations for lower-carbon products and operations. Resilience: Accelerated investment in solar PV, Hydrotreated Vegetable Oil (HVO) fuel and fleet electrification reduces Scope 1 and 2 emissions ahead of the 2030 target.	Impact: As global mitigation efforts continue to intensify, low-carbon regulation becomes more stringent, increasing compliance requirements across the Group's operations. Resilience: Continued emissions reduction sustains competitive advantage.	Impact: The global economy nears full decarbonisation, reshaping markets around low-carbon products and infrastructure. Resilience: Continued investment in solar photovoltaic (PV), fleet electrification, and low-carbon product development keeps the Group aligned with its 2040 net-zero target, securing resilient positioning in a decarbonised market.
Reactive (2–3°C by 2100)	Impact: Regulation develops unevenly across regions and markets, increasing the complexity and burden Group-wide. Resilience: Managed through supplier collaboration and sustainable product design.	Impact: Decarbonisation progresses unevenly by region, creating a patchwork of regulatory and market conditions the Group must navigate. Resilience: Scope 3 reduction and offsetting programmes maintain continuity.	Impact: Policy and decarbonisation progress remain fragmented across regions, sustaining long-term regulatory and market uncertainty. Resilience: Diversified markets, flexible sourcing, and existing Scope 3 reduction programmes enable the Group to shift investment toward faster-moving, lower-carbon markets.
Inactive (>3°C by 2100)	Impact: Limited regulatory pressure persists, whilst early physical climate impacts are already evident, with heatwaves and storm-related precipitation affecting the Group's sites. Resilience: Managed through adjusted working patterns and workplace protections at the site level.	Impact: As global temperatures continue to rise, physical risk to sites and supply chains increases, with more sites and suppliers exposed to flooding, water stress or sea level rise. Resilience: Addressed through flood risk assessments.	Impact: Physical risk continues to escalate into the long term as warming persists, with sustained exposure across the Group's sites and supply chains. Resilience: Site-level controls (see Analysis of Results, page 59) and resilient infrastructure and material choices, such as the Oaken and Arden ranges, keep operations below the point of materiality.

Having applied these three scenarios, the Group considers its business model and strategy to remain resilient across all three warming pathways, as set out above.

Table 4: FW Thorpe's material climate-related transition risk.

No	Impact Description	2026 Mitigations
T1	Enhanced emissions-reporting obligations Financial impact: Increased compliance costs and operating expenditure. Timeframe: Short–Medium term (2025–2039) Warming scenario: <2°C, 2–3°C Likelihood: 5; Impact: 3; Overall rating (Gross): 15 Actual Risk: Rising mandatory and voluntary reporting obligations, including CFD, Streamlined Energy and Carbon Reporting (SECR), Energy Savings Opportunity Scheme (ESOS), Scope 3, CDP, EcoVadis and early-stage Global Reporting Initiative (GRI) alignment, are increasing internal and third-party ESG support costs. This also extends across the supply chain, where supplier emissions data maturity varies by size and location, increasing the effort required to assess Scope 3 emissions. Potential Risk: Further obligations, including UK Sustainability Reporting Standards (UK SRS), Corporate Sustainability Reporting Directive (CSRD), and UK or EU CBAM, alongside rising Taskforce on Nature-related Financial Disclosures (TNFD) expectations, could require additional reporting systems, supplier engagement, and compliance resources, with cost, reputational, or enforcement consequences if requirements are not met.	Dedicated internal resource and third-party ESG support (Inspired ESG) track current and emerging regulation, with a multi-year, proportionate move to Global Reporting Initiative (GRI) alignment, including group-level estimates where appropriate. An initial Carbon Border Adjustment Mechanism (CBAM) review of steel and aluminium inputs confirmed predominantly UK and EU sourcing with limited higher-risk exposure, supporting progress toward the Group's 2040 net-zero target as mechanism details are finalised. Supplier diversification, strategic inventory, regional sourcing where feasible and in-house R&D capability build resilience across the supply chain and reduce Scope 3, Category 1: Purchased Goods and Services emissions. Internal controls ensure that sustainability and product claims are evidence-based, support third-party assurance, such as the development of Environmental Product Declarations, and reduce the risk of making unsubstantiated green claims or green-washing. Related Opportunities: OP1, OP2, OP3, OP4 Related Metrics & Targets (Table 6): MT1, MT2, MT3, MT4, MT5, MT6

Climate-related Financial Disclosures

continued

Table 5: FW Thorpe’s material climate-related opportunities.

No	Opportunity Description	How the Group will capitalise
OP1	Resource Efficiency: Use of energy-efficient technology Financial impact: Reduced operating costs Timeframe: Short–Medium term (2025–2039) Warming scenario: <2°C, 2–3°C Related climate-related risk (Table 6): T1 Related metrics and targets: MT1, MT2, MT3, MT5	Adopting more energy-efficient technology reduces the Group's energy consumption and associated operating costs. New high-efficiency machinery has delivered an 11% improvement in factory energy performance, with older equipment retired to further reduce energy demand. Continued recycling performance reduces waste disposal costs and reliance on virgin materials.
OP2	Energy Source: Use and installation of low-emission energy technology Financial impact: Reduced energy costs Timeframe: Short–Medium term (2025–2039) Warming scenario: <2°C, 2–3°C Related climate-related risk (Table 4): T1 Related metrics and targets: MT1, MT3, MT6	Generating and using lower-emission energy reduces the Group's exposure to grid energy costs and carbon pricing. As of 2026, the Group generates 30% of its electricity from solar PV across the UK, the Netherlands and Spain sites, reducing grid dependence. Additional PV panels are planned for 2027, alongside Building Management System (BMS) integrated heating controls, air curtains, destratification fans and lower cure-oven temperatures to cut gas use.
OP3	Products and Services: New low-emission product and service lines Financial impact: Increased revenue and market share Timeframe: Short–Medium term (2025–2039) Warming scenario: <2°C, 2–3°C Related climate-related risk (Table 4): T1 Related metrics and targets: MT2, MT3, MT4	Developing lower-emission products responds to growing customer demand for sustainable alternatives, supporting revenue growth. Continued R&D investment underpins new low-energy luminaires and smart controls, including the SmartScan wireless lighting management platform. Demand for low-carbon lighting remains strong across UK and European markets.
OP4	Markets: Access to new low-carbon markets Financial impact: Increased revenue growth and pricing power Timeframe: Short–Medium term (2025–2039) Warming scenario: <2°C, 2–3°C Related climate-related risk (Table 4): T1 Related metrics and targets: MT2, MT4	Entering low-carbon markets diversifies revenue streams and positions the Group ahead of the broader market transition. The Group is pursuing new low-carbon market access through retrofit and infrastructure decarbonisation projects and has invested in low-emission EV charging infrastructure, creating synergies with its lighting business and supporting further product development.

Metrics and targets

The Group's SBTi-validated targets, introduced in Strategy, page 57, are the basis for managing the climate-related risks and opportunities identified in Risk Management and Strategy sections (Tables 4 and 5). Progress is tracked annually across all Group sites and subsidiaries using Scope 1, 2 and 3 greenhouse gas emissions, alongside supporting metrics for waste diversion and renewable electricity use. Accurate tracking and reporting of these metrics also directly support management of the Group's material transition risk (T1, Table 4).

Net-zero, in the context of the Group, means reducing absolute Scope 1, 2 and 3 emissions by at least 90% against a 2021 baseline by 2040, with the residual balance addressed through high-quality carbon removal offsets from 2040 onwards, in line with SBTi guidance. This is ten years ahead of the UK and EU's 2050 net-zero commitments.

The Group's near-term targets, a 57.5% reduction in Scope 1 and 2 emissions and a 25% reduction in Scope 3 emissions, both by 2030 against the 2021 baseline, serve as interim milestones toward the 2040 goal, consistent with SBTi's near-term target guidance. The pace of reduction varies by scope: Scope 1 emissions, from owned or controlled sources, allow more direct control through operational and technological changes, Scope 2 emissions from purchased energy can also offer significant opportunities for reduction, although the pace depends on factors such as the regional energy mix, access to renewable energy and the ability to procure lower-carbon electricity, whilst Scope 3 emissions depend on value chain partners and follow a longer, more complex pathway.

Progress is measured using absolute Scope 1, Scope 2 (market-based) and Scope 3 GHG emissions (tCO₂e),

calculated in line with the GHG Protocol Corporate Accounting and Reporting Standard. Each KPI is expressed as the percentage reduction achieved against the 2021 baseline and the annual reduction rate still required to meet the 2030 and 2040 targets. This methodology, and the targets and KPIs themselves, are unchanged from the prior year. Data is compiled from internal records and calculations performed by the Group's third-party consultants. The Group's greenhouse gas data and inventories from financial year 2024-25 onwards have been verified according to ISO 14064-3 by independent third-party verifiers.



Hub Rosmalen, Netherlands

Climate-related Financial Disclosures

continued

Table 6: The Group’s progress against targets.

No.	Target	Baseline Value	2026 Value	Progress Against Target
MT1	Reduce absolute Scope 1 (location-based) and 2 (market-based) emissions by 57.5% by 2030 from a 2021 baseline.	2,856 tCO ₂ e	1,280 tCO ₂ e	A 55.18% reduction against the baseline year has been achieved. This equates to an average annual reduction of 11.04%, compared to the baseline, surpassing the required reduction of 6.39%. Going forward, to meet the 2030 target, a 1.29% annual reduction, compared to 2026 figures, is required. Related climate risk (Table 4): T1 Related climate opportunities (Table 5): OP1, OP2
MT2	Reduce absolute Scope 3 emissions by 25% from a 2021 baseline by 2030.	320,100 tCO ₂ e	169,373 tCO ₂ e	A 47.09% reduction against the baseline year has been achieved in 2026. Therefore, this target has been achieved seven years ahead of schedule. Related climate risk (Table 4): T1 Related climate opportunities (Table 5): OP1, OP3, OP4
MT3	Reduce absolute Scope 1 (location-based) and 2 (market-based) emissions by 90% by 2040 from a 2021 baseline.	2,856 tCO ₂ e	1,280 tCO ₂ e	A 55.18% reduction against the baseline year has been achieved. This equates to an average annual reduction of 11.04%, compared to the baseline, surpassing the required reduction of 4.74%. Going forward, to meet the 2040 target, a 5.55% annual reduction, compared to 2026 figures, is required. Related climate risk (Table 4): T1 Related climate opportunities (Table 5): OP1, OP2, OP3
MT4	Reduce absolute Scope 3 emissions by 90% by 2040 from a 2021 baseline.	320,100 tCO ₂ e	169,373 tCO ₂ e	A 47.09% reduction against the baseline year has been achieved (9.42% average annual reduction). This puts the Group ahead of the required 4.74% average annual reduction requirement. A further 5.79% annual reduction, from 2026, is required to meet the target. Related climate risk (Table 4): T1 Related climate opportunities (Table 5): OP3, OP4
MT5	Divert 100% of waste from landfill by 2030 from a 2024 baseline.	80% landfill diversion rate	80.4%	An annual 3.33% increase in landfill diversion rate is required from 2024 baseline position through 2030 to meet this target. In certain subsidiaries, waste routes were not fully identified, leading to some volumes being classified as landfill. At Famostar and SchahlLED, waste data is currently reported on a spend basis rather than by weight, which reduces accuracy. To address this, new measures are being implemented to ensure waste weight data by type and disposal method are collected consistently across all subsidiaries, enabling a more accurate diversion rate and supporting delivery of the 2030 target. Related climate risk (Table 4): T1 Related climate opportunities (Table 5): OP1
MT6	Utilise 100% renewable electricity by 2030.	3.9%*	98.97%	Since the 2021 baseline, the proportion of renewable energy has increased by 95.07%. With only a further 0.26% annual increase required to meet the 2030 target, performance is already very close to the target. Related climate risk (Table 4): T1 Related climate opportunities (Table 5): OP2

* The baseline renewable electricity figure was reported as 3.8% in the FY25 report due to a rounding error. The correct figure is 3.9%, as reflected in the current year’s report

Streamlined Energy and Carbon Reporting (SECR)

Since 2018, the Group has reported energy use and emissions from its own operations in line with the UK Government’s SECR requirements. This covers Scope 1, direct GHG emissions from sources owned or controlled by the Group, including natural gas, other fuels and company-owned transport fuel; Scope 2, GHG emissions from the generation of purchased electricity consumed by the Group, including electricity used for electric transport; and the relevant Scope 3 emissions required under SECR, relating to business travel in employee-owned vehicles. Figures are presented on a consolidated Group basis, covering the UK and international operations across the Group’s 13 operational sites. The Group’s wider Scope 3 emissions are reported separately in the Carbon Balance Sheet (Table 11).

Our Progress

The Group’s energy usage, associated emissions, and energy performance for the reporting period are presented in Tables 7, 8, 9 and 10 and summarised below. By consolidating grid-supplied and self-generated electricity, the Group’s electricity consumption decreased marginally from 4,397,660 kWh in 2025 to 4,378,549 kWh in 2026, with grid-supplied electricity falling 8.05%, offset by a 23.08% increase in on-site self-generation. Correspondingly, market-based electricity emissions fell from 225.69 tCO₂e to 7.77 tCO₂e, a 96.56% reduction year-on-year. This is due to subsidiaries moving to renewable supplier contracts and the shift towards self-generated renewable electricity. Natural gas and other fuels consumption decreased from 4,626,310 kWh in 2025 to 4,344,764 kWh in 2026, with associated emissions falling from 848.64 tCO₂e to 792.17 tCO₂e, a 6.65% reduction.

By consolidating Scope 1, Scope 2 and Scope 3 transport, overall transport fuel use fell from 3,337,259 kWh in 2025 to 2,929,002 kWh in 2026, whilst transport emissions decreased from 763.41 tCO₂e to 564.56 tCO₂e, a 26.05% reduction, primarily due to the continued transition of the Group’s fleet from petrol and diesel vehicles towards hybrid and electric alternatives.

Overall, total consumption decreased from 12,361,229 kWh in 2025 to 11,652,315 kWh in 2026, a 5.73% reduction. Reductions across electricity, natural gas and transport drove total emissions (market-based) down from 1,837.74 tCO₂e to 1,364.51 tCO₂e, a 25.75% net decrease year-on-year.

As reported in Table 10, FW Thorpe’s operations have a location-based intensity metric of 10.28tCO₂e per Total Revenue (£m), a 15.89% decrease from 2025, reflecting material emissions reductions across all categories.

Table 7: Total UK and Global Energy Consumption (kWh).

Utility and Scope	2026 Consumption (kWh)			2025 Consumption (kWh)*		
	UK	Global (excluding UK)	Total	UK	Global (excluding UK)	Total
Scope 1 Total	5,202,830	1,309,037	6,511,867	5,722,155	1,581,743	7,303,898
Natural Gas (Scope 1)	3,934,237	410,527	4,344,764	4,209,514	416,796	4,626,310
Transportation (Scope 1)	1,268,593	898,510	2,167,103	1,512,641	1,164,947	2,677,588
Scope 2 Total	2,926,500	1,846,897	4,773,397	2,727,588	2,062,916	4,790,504
Grid-Supplied Electricity (Scope 2)	1,832,900	1,221,940	3,054,840	1,892,854	1,429,330	3,322,184
Transportation (Scope 2)	183,056	211,792	394,848	183,275	209,569	392,844
Self-Generation (Scope 2)	910,544	413,165	1,323,709	651,459	424,017	1,075,476
Scope 3 Total	184,302	182,749	367,051	198,392	68,435	266,827
Transportation (Scope 3)*	184,302	182,749	367,051	198,392	68,435	266,827
Total	8,313,632	3,338,683	11,652,315	8,648,135	3,713,094	12,361,229

* 2025 Natural Gas, Electricity and Transport have been restated due to improved data quality. Please see the SECR Methodology for further details

Table 8: Total UK and Global Location-based Emissions (tCO₂e).

Utility and Scope	2026 Emissions (tCO ₂ e)			2025 Emissions (tCO ₂ e)		
	UK	Global (excluding UK)	Total	UK	Global (excluding UK)*	Total
Scope 1 Total	933.82	285.72	1,219.54	1,129.39	352.02	1,481.41
Natural Gas (Scope 1)	717.25	74.92	792.17	770.17	78.47	848.64
Transportation (Scope 1)	216.57	210.80	427.37	359.22	273.55	632.77
Scope 2 Total	264.12	208.10	472.22	367.48	231.13	598.61
Grid-Supplied Electricity (Scope 2)	240.04	180.35	420.39	335.04	194.04	529.08
Transportation (Scope 2)	24.08	27.75	51.83	32.44	37.09	69.53
Scope 3 Total	41.71	43.65	85.36	46.04	15.07	61.11
Transportation (Scope 3)*	41.71	43.65	85.36	46.04	15.07	61.11
Total	1,239.65	537.47	1,777.12	1,542.91	598.22	2,141.13

* 2025 Natural Gas, Electricity and Transport have been restated due to improved data quality. Please see the SECR Methodology for further details.

Climate-related Financial Disclosures

continued

Table 9: Total UK and Global Location-based and Market-based Emissions (tCO₂e/tCO₂).

Utility and Scope	2026 Emissions (tCO ₂ e)		2025 Emissions (tCO ₂ e)*	
	Location-based	Market-based	Location-based	Market-based
Scope 1 Total	1,219.54	1,219.54	1,481.41	1,481.41
Natural Gas & Other Fuels (Scope 1)	792.17	792.17	848.64	848.64
Transportation (Scope 1)	427.37	427.37	632.77	632.77
Scope 2 Total	472.22	59.60	598.60	295.22
Grid-Supplied Electricity (Scope 2)**	420.39	7.77	529.07	225.69
Transportation (Scope 2)	51.83	51.83	69.53	69.53
Scope 3 Total	85.36	85.37	61.11	61.11
Transportation (Scope 3)	85.36	85.37	61.11	61.11
Total	1,777.12	1,364.51	2,141.13	1,837.74

* 2025 Natural Gas, Electricity and Transport have been restated due to improved data quality. Please see the SECR Methodology for further details

** The Grid-Supplied Electricity (Scope 2) emissions represent tCO₂ due to the market-based reporting methodology

Table 10: Total UK and Global SECR Intensity Metrics.

	2026	2025	2026	2025
Total Revenue (£m)	172.95	175.22	172.95	175.22
	Location-Based tCO ₂ e per Revenue (£m)		Market-Based tCO ₂ e per Revenue (£m)	
Reporting Method				
All Scopes (1, 2 & 3)	10.28	12.22*	7.89	10.49*
Percentage change	-15.89%		-24.76%	

* 2025 intensity metrics have been restated to reflect updated information previously unavailable. Please see the SECR Methodology for further details

Energy Efficiency Narrative

The Group maintains a register of energy-efficiency measures to be implemented over a five-year horizon. In 2026, initiatives at Thorlux UK included replacing an older laser machine with a more efficient fibre laser, which cuts faster and uses less assist gas per unit produced. Gas heaters were connected to the Building Management System for more precise heating control; air curtains were installed at building entry and exit points to limit heat loss during loading and deliveries; and fire doors were repaired to eliminate draughts and reduce heat loss from adjacent zones. The fleet was also updated with a Battery Electric Vehicle long-wheelbase van, HVO-fuelled trucks and vans, and a small electric van, with HVO offering an alternative for vehicle classes not yet well served by full electrification, and the HVO trucks delivering an approximate 21% improvement in fuel efficiency, from 15 to 19 miles per gallon.

Planned for 2027, Thorlux intends to reduce the operating temperature of its powder coating plant ovens, cutting gas use per unit whilst also reducing thermal wear on the equipment.

SECR Methodology

The Group's Scope 1, 2 and 3 kWh consumption and CO₂e emissions data have been developed and calculated using the GHG Protocol – A Corporate Accounting and Reporting Standard; Greenhouse Gas Protocol – Scope 2 Guidance ISO 14064-1 and ISO 14064-2; Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance. The Government Emissions Factor Database 2026 version 1.0 has been used, utilising the published kWh gross Calorific Value (CV) and kgCO₂e emissions factors relevant to the reporting period from 1 July 2025 to 30 June 2026.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to FW Thorpe, specifically the June invoices for ElectroZemper gas and electricity. These were calculated by FW Thorpe. These estimations were applied to one ElectroZemper electricity supply and one ElectroZemper gas supply for June. All estimations equated to 0.79% of reported consumption. In the previous period, no estimations were required.

The 2025 Scope 1 and 2 consumption and emissions figures have been restated to reflect improved data quality, including the removal of double-counted mileage and commuting mileage that had previously been included within transport emissions, updates to fuel classifications and international electricity emission factors, and the application of supplier-specific market-based electricity factors for Thorlux Ireland.

The reported Scope 1, 2 and 3 consumption figures have been rounded to the nearest integer, whilst the associated emissions and intensity metrics have been rounded to two decimal places. All percentage comparisons have been calculated using complete, unrounded figures.

Carbon Balance Sheet

The Group has calculated its full Scope 1, 2 and 3 emissions using 2021 as the baseline year for its reduction targets, in line with the GHG Protocol. All fifteen Scope 3 categories have been assessed for relevance, with twelve identified as applicable and quantified. The three excluded categories are Category 10 (Further Processing of Sold Products, as only finished products are sold), Category 13 (Downstream Leased Assets, as no assets are leased to third parties), and Category 14 (Franchises, as the Group has no franchise operations).

The Group's Scope 3 emissions continue to account for the majority of its overall carbon footprint, at 99.25% of total

emissions in the current year. Category 11: Use of Sold Products remains the largest source of Scope 3 emissions, accounting for 68.38% of the Group's total emissions. Emissions from this category decreased by 8.25% year-on-year despite an 8.62% increase in electricity consumption associated with the use of sold products, primarily due to reductions in electricity emissions factors as national electricity grids continue to decarbonise. For example, the UK electricity emissions factor decreased by 24.87% year-on-year, contributing to this reduction.

Other notable changes within the Scope 3 inventory include Category 1: Purchased Goods and Services, which remains a significant contributor at

24.58% of the Group's total footprint, with a 7.23% decrease year-on-year driven by lower spend on purchased materials for resale, which outweighed increases in other purchased goods and services spend and product volumes. Category 7: Employee Commuting decreased by 35.48%, supported by an improved survey response rate providing more representative commuting data. Category 15: Investments decreased by 10.58%, driven by a reduction in investment within the mining sector in 2026. Category 4: Upstream Transportation and Distribution emissions decreased by 17.66% year-on-year, reflecting reductions in both transportation and distribution spend and tonne-kilometres.

Table 11: The Group's Carbon Balance Sheet for 2021, 2025 and 2026.

Category	2026 tCO ₂ e	2025 tCO ₂ e	2021 tCO ₂ e	Y-o-Y % Change	% Change against baseline
Scope 1	1,220	1,481	1,694	-17.62%	-27.98%
Scope 2 (Market-based)	60	295	1,162	-79.66%	-94.84%
Scope 3	169,373	185,180	320,100	-8.54%	-47.09%
1: Purchased Goods and Services	41,938	45,205	35,448	-7.23%	+18.31%
2: Capital Goods	2,796	2,772	2,033	+0.87%	+37.53%
3: Fuel and Energy-related Activities	361	555	611	-34.95%	-40.92%
4: Upstream Transport and Distribution	1,240	1,506	1,971	-17.66%	-37.09%
5: Waste Generated in Operations	61	79	144	-22.78%	-57.64%
6: Business Travel	289	569	494	-49.21%	-41.50%
7: Employee Commuting	1,464	2,269	825	-35.48%	+77.45%
8: Upstream Leased Assets	119	111	170	+7.21%	-30.00%
9: Downstream Transport and Distribution	3	5	323	-40.00%	-99.07%
11: Use of Sold Products	116,695	127,185	271,337	-8.25%	-56.99%
12: End-of-life Treatment of Sold Products	20	18	69	+11.11%	-71.01%
15: Investments	4,387	4,906	6,675	-10.58%	-34.28%
Total Emissions (Market-based)	170,653	186,956	322,956	-8.72%	-47.16%
tCO₂e (Market-based) per Revenue (£m)	987	1,067	2,414	-7.50%	-59.11%

* 2025 total market-based emission figures have been restated due to improved data quality. Please see the SECR Methodology for further details. They have been restated from the previously reported figure of 171,058 tCO₂e.

CBS Methodology

Scope 3 emissions were calculated in accordance with the Greenhouse Gas Protocol Value Chain Accounting and Reporting Standard. An operational approach was used to determine the boundary for emissions reporting. All applicable emissions categories have been quantified, using a mix of spend-based, activity-based, hybrid and average-data approaches.

The reported Scope 1, 2, and 3 consumption, emissions, and associated intensity metrics have been rounded to the nearest integer, whilst all percentage comparisons have been computed using complete, unrounded figures.

Principal risks and uncertainties

Area of risk	Type of risk	Description of risk	Mitigation of risk	Possible impact on performance	Strategic priorities impacted upon	Change in period
A Adverse economic conditions		Deferred or reduced capital investment plans in market sectors, which our products are supplied into and are key sources of revenue for the Group	- Broad range of customers in differing sectors - High quality, technically advanced products to differentiate the Group from competitors - Energy efficient products with shorter payback periods - Actively seek to identify new opportunities to ensure we maximise our potential of winning new business	High	01 02 04	
B Business continuity		A significant proportion of the Group's revenues are from products manufactured in the Redditch facility	- High level of importance attached to environmental management systems, health and safety and preventative maintenance - Insurance cover is maintained to provide financial protection where appropriate - Increased production flexibility with the ability to build products in more than one manufacturing facility	High	02 03	
C Price changes		Erosion of revenue and profitability	Management reviews prices regularly to take into account fluctuations in costs, in order to minimise the risk of reduction in gross margin, or the loss of market share from a lack of competitiveness	High	01 02	
D Changes in government legislation or policy		Reduction in public sector expenditure and changing policy increases risk to our order book Increased complexity of access to EU markets	- Continue to seek to diversify our customer portfolio to ensure we have an appropriate spread, mitigating the risk of any industry or specific sector spending issues - Develop sales in new markets - Leveraging increasing footprint in Europe	Medium	02 04	
E Impact of conflict on domestic and global economies		Potential impact on supply chains including increase in certain raw material prices and disruption to some shipping routes. Impact of energy supply price increases	- Alternative sources for certain materials and alternative shipping routes, albeit with higher costs in some circumstances - Electricity usage has been reduced with implementation of solar panels at the majority of manufacturing sites across the Group	Medium	02 03	
F Competitive environment		Existing competitors, powerful new entrants and continued evolution of technologies in the lighting industry eroding our revenue and profitability	- Offering innovative products and service solutions that are technologically advanced products to enable us to differentiate ourselves from our competitors - Investing in research and development activities to produce new and evolving product ranges - Investing in new production equipment to ensure we can keep costs low and maintain barriers to new market entrants	Medium	01 02 03 04	

Area of risk	Type of risk	Description of risk	Mitigation of risk	Possible impact on performance	Strategic priorities impacted upon	Change in period
G Sustainability and climate-related risk		The Group has potential exposure to climate-related risk that could impact both its operations and the products it promotes	- Sustainability targets are set each year for Group companies - Education of employees to further develop sustainability and climate-related understanding, evolving knowledge of the related risks - Targeted reduction of total GHG emissions, reducing the impact of its operations	Medium	02 04	
H Cybersecurity		A breach of IT security could result in the inability to operate systems effectively and efficiently or the release of inappropriate information	- Continual review and monitoring of potential risks - Computers encrypted where necessary to protect data - Cybersecurity awareness training continues to be delivered to employees - Third-party specialists engaged to provide enhanced support and advice - Critical applications protected by multi-factor authentication and all connectivity is through the Virtual Private Network (VPN)	Medium	01 03 04	
I Tariffs and trade barriers		Increased complexity of access to EU and other markets	- With the Group having a manufacturing presence in two EU countries, the Netherlands and Spain, this leaves us ideally placed to react to any negative EU trade barriers that may be imposed on the UK - Continue to develop closer working relationship with these entities, sharing product development, market knowledge and operational expertise to ensure we have the flexibility to adapt to any changes in the future - Legal entity in Republic of Ireland to route EU business to ease the process for customers trading with us	Medium	02 04	
J Credit risk		The Group offers credit terms which carry risk of slow payment and default	- Credit policy includes an assessment of the bad debt risk and management of higher risk customers - The Group maintains a credit insurance policy for a significant proportion of its debtors	Low	02	
K Movements in currency exchange		The Group is exposed to transaction and translation risks. With some natural hedging in EUR this risk is primarily with changes in the GBP:USD rates	The Group has increased its sourcing of materials to maintain a natural hedge to offset its currency risk from EUR receivables, whilst at the same time buying EUR and USD when the exchange rate is favourable, compared to our operational rates, to minimise the risk	Low	02	

Strategic priorities

01 02 03 04

Read more about our strategic priorities on [pages 28 to 29](#)

Type of risks

-  Strategic
-  Operational
-  Financial

Change in period

-  Increase in risk
-  Decrease in risk
-  No change in risk



Craig Muncaster
Chief Executive, Group Financial Director
and Company Secretary

Our Governance

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MediCinema, Birmingham Children's Hospital Birmingham, United Kingdom Thorlux Lighting

Working in partnership with the charity MediCinema, Birmingham Children's Hospital has recently converted an on-site lecture theatre into a screening room for young patients to enjoy the magic and escapism of a trip to the movies. Thorlux was delighted to provide standard and emergency lighting for the MediCinema refit, using the SmartScan wireless management system.

MEDICINEMA
feel better with film

Doing more for sick kids

Board of directors



Mike Allcock
Non-Executive Chairman



Craig Muncaster
Chief Executive, Group
Financial Director and
Company Secretary



James Thorpe
Joint Managing Director,
Thorlux Lighting



Andrew Thorpe
Non-Executive Director



Ian Thorpe
Non-Executive Director



Frans Haafkens
Non-Executive Director

Appointment/background:

Mike joined FW Thorpe Plc in 1984 as an apprentice working his way to Technical Director for Thorlux Lighting in 1998, taking responsibility for the Company's design programme. He was appointed Group Technical Director in 2001 and became Managing Director of Thorlux Lighting in 2003. Mike is a Chartered Electrical Engineer and a Fellow of the Institution of Engineering and Technology. He is passionate about developing innovative, high-technology, market leading products. He became Joint Group Chief Executive of FW Thorpe in 2010, a position he held until July 2024, and Chairman in July 2017.

After graduating in Business Administration, Craig qualified as a Chartered Management Accountant in 2000. He has spent time in the manufacturing and engineering sectors, previously as UK Financial Director for Durr, which included a number of overseas ventures and projects for the wider Group. He joined FW Thorpe in 2010 and was appointed Joint Group Chief Executive in July 2017 and Group Chief Executive in July 2024.

James graduated from Swansea University with a BSc in 2000. He spent 13 years in the IT industry, involved in a variety of public and private sector contracts before joining FW Thorpe in 2013. During his time as Business Development Manager at Thorlux, he has been responsible for securing a number of high profile projects which have contributed to the growth of revenue derived from the healthcare sector. James is the great grandson of the Company founder and was appointed as a director in July 2017. In July 2024 James was also appointed Joint Managing Director of the Thorlux business.

Andrew is the grandson of the Company founder, Frederick William Thorpe. After serving an apprenticeship with the Company, he has worked in various parts of the business, leading to the positions of Export Sales Director, Manufacturing Director and then Managing Director of Thorlux Lighting. In 2000, he became Joint Group Chief Executive and in 2003 Group Chairman, positions he held until July 2017. In July 2019 Andrew became a non-executive director and member of the Remuneration Committee.

Ian, grandson of the Company founder, was Manufacturing Director of Thorlux Lighting from 1978 until 1993 when he became Personnel Director. He became a non-executive director on 1 October 1997 and is a member of the Remuneration Committee.

Frans holds a Master's degree in Mechanical and Control Engineering and an MBA. He is Managing Partner at Dutch investment firm i4hi, a company having direct investments in manufacturing and technology businesses. He spent his formative years with McKinsey & Co. as well as working for a short period in the UK lighting industry.

Frans is a Dutch national who previously worked, both as a consultant and as an investor, with the Dutch entities, Lightronics and Famostar up until 2021. He became a non-executive director on 17 November 2022.

Key areas of expertise/responsibility:

Lighting & Controls Technology, Product Design/Management, Industry Knowledge, Marketing, Strategy

R A

Lighting & Controls Technology, Product Design/Management, Industry Knowledge, Marketing, Strategy

Sales & Marketing, Business Development, Digital Marketing

Manufacturing, Product Design/Management, Sales & Marketing, Industry Knowledge, Strategy, Governance

R

Manufacturing, Human Resources, Governance, Industry Knowledge

R

Mergers & Acquisitions, Business Management, Industry Knowledge, Strategy

R A

The Board in numbers



Committee key

- Chair of Committee
- R Remuneration Committee
- A Audit and Risk Committee

Corporate governance

The Company's shares are traded on the Alternative Investment Market (AIM) of the London Stock Exchange Plc.

Since 28 September 2018, the Company has adopted the Quoted Companies Alliance's "Corporate Governance Guidelines for Smaller Quoted Companies" (the QCA Code) which the Board believes is appropriate due to the size and complexity of the Company.

In November 2023 the QCA published an updated version of the QCA Code (the 2023 QCA Code). The 2023 QCA Code retains the ten principles from the 2018 version, however, it also includes updates to reflect certain areas of growing importance for shareholders, such as climate change, remuneration of directors and employees as well as the need for diversity and independence at Board level.

Whilst the 2023 QCA Code applies to financial years starting after 1 April 2024, the Company decided to early adopt these principles where practical in 2024, which includes the formation of Audit and Risk Committee.

There are ten principles of the 2023 QCA Code and the following table sets out in broad terms how we comply at this point in time.



Principle	Extent of current compliance	Commentary	Further disclosure
1 Establish a purpose, strategy and business model which promote long-term value for shareholders	Compliant	The Group's purpose and business strategy is detailed in our Annual Report and Accounts. Our purpose is to provide technically advanced lighting solutions that deliver long-term lowest cost of ownership. Our focus is on delivering long-term growth and stability, achieved through four key strategic priorities: • Focus on high-quality products and good leadership in technology • Continue to grow the customer base for Group companies • Focus on manufacturing excellence • Continue to develop high-quality people	→ Find out more in our Strategic Report on pages 16 to 67 Read more about Our Strategy on pages 28 to 29 Read more about Our Business Model on pages 26 to 27
2 Promote a corporate culture that is based on ethical values and behaviours	Compliant	Our core aim is for long-term growth and stability. The Group management team is passionate about developing the business for the benefit of the shareholders, employees and customers. With our focus on excellence, we ensure our Group's culture is consistent with the aim of long-term growth and stability. In order to achieve and maintain such a culture, we invest in the training and education of our employees, as mentioned in the Annual Report and Accounts.	→ Find out more in our Strategic Report on pages 16 to 67 Read more about Our Strategy on pages 28 to 29

Principle	Extent of current compliance	Commentary	Further disclosure
3 Seek to understand and meet shareholders' needs and expectations	Compliant	Meetings are held with shareholders as required; this includes visits to our various company locations being organised and encouraged where possible. In addition, all announcements include contact details for shareholders to contact the Company if they so choose. The AGM is another forum for dialogue with our shareholders. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. Any feedback during these meetings is encouraged and acted upon where appropriate.	→ Find out more in the Directors' Report on pages 78 to 80
4 Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success	Compliant	Feedback from employees, customers, suppliers and other stakeholders is actively encouraged. Our employees are an important stakeholder group and we actively encourage dialogue with the Company via various employee committees within our companies. Reports from these meetings are distributed to the Board. The Group continuously strives to reduce the environmental impact of the companies and products throughout the Group.	→ Find out more in our Strategic Report on pages 16 to 67 Read more in our Sustainability section on pages 50 to 67
5 Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation	Compliant	The Board operates a continuous risk identification and evaluation process. The results are utilised by the Board to manage any significant risks. In addition, the executive directors regularly visit all operating sites and review financial, commercial and operational issues with an executive director responsible for each individual company. The Board has overall responsibility for the system of internal control and for reviewing its effectiveness throughout the Group. Internal financial control is driven by the Group finance team who visits each company to assess compliance against key controls. This includes regular financial reporting that is compared against targets and previous year's performance.	→ Find out more about our Principal Risks and Uncertainties on pages 66 to 67 Find out more in the Directors' Report on pages 78 to 80

Corporate governance continued

Principle	Extent of current compliance	Commentary	Further disclosure
6 Establish and maintain the Board as a well-functioning, balanced team led by the Chair	Partially compliant	Total of six directors, two executive directors and four non-executive directors. Three non-executives are not considered fully independent, one is independent. The Board considers that the non-executive directors are appropriate as they bring significant experience and expertise in the sector. In addition, as the directors retire on a maximum of two-year rotation, shareholders have a regular opportunity to ensure that the composition of the Board is in line with their interests. There are a Remuneration Committee and an Audit and Risk Committee, with matters that would normally be tabled at an Audit and Risk Committee put to the full Board. Partial compliance is due to the level of independent directors and lack of diversity on the Board.	→ Find out more in Our governance on pages 68 to 91 Read about our Board of directors on pages 70 to 71 Find out more in the Directors' Report on pages 78 to 80
7 Maintain appropriate governance structures and ensure that, individually and collectively, directors have the necessary up-to-date experience, skills and capabilities	Compliant	The current composition of the Board provides the necessary skills, experience and capabilities for the size and context of the Group. The composition and succession of the Board are subject to review, considering the future needs of the Group. The Board as a whole is responsible for robust governance practices. The roles and responsibilities of each director are clear and responsibilities understood. The Board meets at least five times each year, with additional meetings as required.	→ Find out more in Our governance on pages 68 to 91 Read about our Board of directors on pages 70 to 71 Find out more in the Directors' Report on pages 78 to 80
8 Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	Partially compliant	There is no formal evaluation process; however, the Chairman is responsible for Board performance and accordingly actively encourages feedback on the content and function of board meetings. The composition and succession of the Board are subject to constant review, considering the ever-changing needs of the Group. In addition, the directors retire by rotation every two years giving shareholders the opportunity to ensure that the Board is aligned with their interests. Partial compliance is due to no formal evaluation process and that directors are not re-elected every year.	

Principle	Extent of current compliance	Commentary	Further disclosure
9 Establish a remuneration policy, which is supportive of long-term value creation and the Company's purpose, strategy and culture	Partially compliant	Reflects the QCA's Remuneration Committee Guide. Remuneration has a mixture of annual and long-term incentives aligned with the shareholders. Basic salary reflects responsibilities and annual bonus recognises performance. LTIP reflects ongoing annual performance, total shareholder return over five years and progress towards sustainability goals over the same period. Remuneration is benchmarked using independent advisors. Partial compliance is due to level of independent directors on the Remuneration Committee.	→ Find out more in the Directors' Remuneration Report on pages 82 to 85
10 Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	Compliant	The Company communicates through the Annual Report and Accounts, full-year and interim announcements, the AGM and one-to-one meetings with existing or potential shareholders. A range of corporate information is also available on the Company's website. Meetings with shareholders, employee groups, management and other representative groups provide a platform for raising any concerns relating to corporate governance.	→ Find out more online at www.fwthorpe.co.uk

The Board considers that the Company applies the principles of best practice with the exception of the matters listed below:

- The Board has a low level of independent directors and diversity as per principle 6.
- The Board does not have a nominations committee as per principle 8.
- There is no formal evaluation process of Board performance as per principle 8.
- The Remuneration Committee is not entirely composed of independent directors as per principle 9.

The Board believes that the exceptions, which are more fully explained in the sections relating to the Board constitution and the Directors' Remuneration Report, are appropriate for the size and context of the Group.

Audit & Risk Committee

Introduction to the Audit and Risk Committee

The current members of the Audit and Risk Committee are the non-executive directors:

F Haafkens (Chairman)

M Allcock

Key responsibilities and terms of reference:

- Monitor the integrity, clarity and completeness of the financial statements, the Interim Report and any other announcements relating to the Group's financial performance or position
- Review and challenge, where necessary, the appropriateness of accounting policies and key accounting judgements
- Keep under review the adequacy and effectiveness of the Group's internal control and risk management systems
- Review the policies and process for identifying and assessing business risks and managing their impact on the Group
- Ensure that the Group has adequate whistleblowing policies and procedures
- Review the effectiveness and independence of the external auditors and agree its remuneration and make recommendations to the Board in respect of their appointment

The role of the Audit and Risk Committee is to protect the interests of shareholders by ensuring the integrity of the Group's financial reporting and by monitoring the ongoing effectiveness of the Group's internal controls.

The Committee is appointed by the Board, includes an independent non-executive director and provides independent monitoring, guidance and challenge to the executive directors. The Audit and Risk Committee Report sets out the responsibilities of the Committee, its structure and any work undertaken during the year.

Responsibilities and terms of reference

The terms of reference are approved by the Board. The principal responsibilities of the Committee are set out in this report.

Committee composition

The Audit and Risk Committee consists of non-executive directors and is chaired by F Haafkens, independent non-executive director with relevant financial experience. The Board believes that the members have sufficient skills and experience to perform their duties in accordance with the Committee's terms of reference and has competence in the sector within which the Group operates.

The Committee chair is responsible for reporting to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities.

Summary of activity

The Audit and Risk Committee held two meetings separately to Group Board meetings. The Chief Executive/Group Financial Director will attend Committee meetings by invitation to ensure that the Committee is fully informed of material matters within the Group. The external auditors will also attend meetings.

The main activities of the Committee are as follows:

- review the Group's financial statements and preliminary results announcements including consideration of significant financial reporting issues and matters of judgement contained within;
- review the content of the Annual Report and Accounts to ensure it provides the information necessary for shareholders to assess the Group's financial position and performance;
- monitor and review the Group's internal control and risk management systems; and
- consider the external auditors' audit plan, scope and coverage of audit work, independence, and agree the audit fee.

Significant financial reporting risks and judgement areas considered

The following judgement areas and significant estimates were considered by the Committee in the review and approval of the 2025/26 financial statements:

- Impairment of goodwill
- Retirement benefit obligations

Our findings

Having reviewed the year's work, the Committee is confident that it has fulfilled its duties effectively and has upheld auditor independence.

Risk management and internal control

The Committee has undertaken a review of the Group's financial, operational and compliance controls and is satisfied that these remain appropriate for the Group.

At least twice a year, an internal financial review is carried out to assess the processes and procedures used by the Group companies financial management. Senior members of the Group finance team perform this work and any findings are fed back to the local management teams and Audit and Risk Committee as required.

Auditors' reappointment and effectiveness

PwC has served as external auditors since their appointment in 1998. No contractual barriers exist to changing auditors. This year, the Committee:

- Reviewed and approved PwC's audit plan and fees
- Received declarations of independence and procedures to manage conflicts
- Assessed audit execution, scope adherence and quality of PwC's judgements and challenge

Based on this assessment, the Committee remains satisfied with PwC's independence and performance. Their reappointment will continue to be reviewed annually at the Annual General Meeting.

Fees of external auditors

During the financial year, the Group external auditors' fees were £555,000 (2025: £547,000).

Whistleblowing policy

The Group whistleblowing policy is designed to ensure any fraud, misconduct or wrongdoing by employees or officers of FW Thorpe companies is reported and appropriately dealt with. The policy clearly sets out the procedure and protection for whistleblowers.

2026 and beyond

We are committed to providing oversight to the Group's reporting and control processes. In 2026/27, the Committee will continue to focus on risk management and the control environment, cyber risk and sustainability reporting.

Summary

The Committee confirms that it has acted in accordance with its terms of reference and has ensured the independence and objectivity of the external auditors.

Frans Haafkens
Chair of the Audit & Risk Committee

1 October 2026

Directors' report

The directors present their directors' report with the audited consolidated financial statements of the Group and the Company for the financial year ended 30 June 2026.

Principal activity

The main activity of the Group continues to be the design, manufacture and supply of professional lighting equipment.

Each company within the Group operates in a different market of the lighting sector.

Business review

The trading results for the year are set out in the Consolidated Income Statement on page 94 and the Group's financial position at the end of the year is set out in the Consolidated and Company Statements of Financial Position on page 96. A review of the performance of the business during the financial year and expected future developments are contained in the Chairman's Statement, the Operational Performance section and the Financial Performance section which form part of the Strategic Report.

Key performance indicators

The directors consider the main financial key performance indicators (KPIs) to be those disclosed on page 34 (financial). The two most important KPIs to the business are revenue and operating profit.

The directors monitor non-financial areas of the business relating to energy saving and environmental responsibility, market and product development, customer service and product support on a regular basis.

Objectives are set for each company within the Group incorporating financial and non-financial targets which have appropriate measurements that reflect their nature. These are monitored regularly at local and Group Board level. During the year a number of objectives were achieved.

Research and development

The Group's research and development activities are focused on driving innovation throughout the product portfolio, to enable it to deliver new or improved customer solutions. Most of the Group's research and development is undertaken in-house for which we have developed our own design and development expertise. The Group also pursues the development of patents, where relevant, to protect its intellectual property.

During the year The Group spent £4,806,000 on research and development, details of which can be found in the strategy in action section on pages 30 to 31.

Principal risks, uncertainties and financial risk management

The table on pages 66 to 67 details what we consider to be the principal risks and uncertainties to the business, and how we seek to manage and mitigate these risks.

The Group has financial risks and seeks to minimise and manage these by incorporating controls into key functions as part of the normal business operation.

Details of other risk management procedures are included within the internal control section of this report and in the financial risk section within the accounting policies (note 1).

Internal control

The Board of directors has overall responsibility for the system of internal control and for reviewing its effectiveness throughout the Group. The internal control systems are designed to meet the Group's particular needs and the risks to which it is exposed, and by their nature can only provide reasonable but not absolute assurance against misstatement or loss.

The directors have responsibility for maintaining a system of internal control which provides reasonable assurance of the effective and efficient operations, internal financial control and compliance with laws and regulations.

Other areas of control

During the year and continuing after the year end, the Board has operated a formal risk identification and evaluation process as part of a continuous review of the Group's internal controls. This process considers financial, operational and compliance risks and includes participation from senior executives from all operating subsidiaries. The results of this process to date have been utilised by the Board to focus the ongoing process for identifying, evaluating and managing the Group's significant risks. The programme is utilised to monitor the potential impact of the risks identified and, where appropriate, actions are taken to ensure they are effectively controlled. This process is extended to include a detailed review of risk, as assessed by local senior executives, and procedures have been established to ensure that the Group Board is made aware of any additional significant risks identified and to consider appropriate action. This process culminated in the provision of a certificate, by senior executives at the operating sites, confirming that they have identified and addressed the risks arising in their business and reported them to the Group Board accordingly.

Proposed dividend

Details of the proposed dividend are disclosed in the Financial Performance section on pages 46 and 47.

Directors

The directors of the Company at the date of this report are set out on pages 70 and 71. The directors of the Company who served during the year are the directors set out on pages 70 and 71.

The directors retiring by rotation are I A Thorpe, A B Thorpe, and J E Thorpe, who, being eligible, offer themselves for re-election. J Thorpe has a service contract terminable on 12 months' notice.

Directors' share interests

The details of the directors' share interests are set out in the Directors' Remuneration Report on page 84.

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the financial year and also at the date of approval of the financial statements. The Company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Board constitution

The Company continues to be proprietorial in nature and the directors act as a unitary Board. There is no Nomination Committee as matters that would normally be considered by a Nomination Committee are addressed by the full Board with the non-executive directors present.

The Company has an Audit and Risk Committee whose report is presented on pages 76 to 77 and a Remuneration Committee, whose report is presented on pages 82 to 85.

Where there is a requirement for a senior personnel or subsidiary Board appointment, a sub-committee is formed. Any appointment to the Group Board

would involve all Board members in the selection process.

The Board meets regularly during the year and has a schedule of matters reserved for its approval, which only the Board may change.

Executive directors are expected to attend all meetings of the Board and of the Committees on which they sit and to devote sufficient time to the Company's affairs to enable them to fulfil their duties as directors. Non-executive directors are expected to attend all meetings of the Board and the appropriate Committees they sit on.

Attendance of individual directors are detailed in the table below.

	Full Board (5 meetings)	Remuneration Committee (1 meeting)	Audit & Risk Committee (2 meetings) ¹
Executive directors			
Craig Muncaster	5/5		
James Thorpe	5/5		
Non-executive directors			
Michael Allcock	5/5	1/1	2/2
Andrew Thorpe	5/5	1/1	
Ian Thorpe	5/5	1/1	
Frans Haafkens	5/5	1/1	2/2

¹ Craig Muncaster and representatives from the Company's external auditors, PricewaterhouseCoopers LLP, also attended the Audit Committee meetings.

Substantial shareholdings

At 1 October 2026, the Company had received notification of the following interests in 3% or more of the issued share capital, excluding holdings of directors:

Liontrust Investment Partners LLP

5,384,411 (4.5%)

Brangwin Trust

4,476,550 (3.8%)

Directors' substantial shareholdings are shown on page 84.

Relations with shareholders

Directors are kept informed of the views of shareholders by face-to-face contact at the Company's premises on the day of the Annual General Meeting where possible and, if appropriate, by meeting with major shareholders at other times during the year. See Notice of Meeting – AGM 2026.

Stakeholder engagement

Please see pages 48 to 49 and 52 to 53 for details of the Company's engagement with its employees, customers and suppliers.

The Company is an equal opportunity employer and provides training, performance evaluation and opportunities for advancement and career development. The Company recognises its responsibility to employ disabled persons in suitable employment and gives full and fair consideration to such persons, including any employee who becomes disabled, having regard to their particular aptitudes and abilities. Where practicable, disabled employees are treated equally with all other employees in respect of their eligibility for training, career development and promotion. Further details on how the Company communicates with its employees as a key stakeholder group and has regard to their interests can be found in the Section 172 statement on pages 48 to 49.

The Company operates an employee share saving scheme to encourage and reward the involvement of employees in the Company's performance.

Directors' authority to issue shares

In previous years, at the Annual General Meeting, shareholders have been asked to pass resolutions to authorise the directors to allot shares for cash or to grant rights to subscribe for, or to convert any security into, shares in the Company and to allow them to do so (and also to sell treasury shares) in certain circumstances without first offering the shares in question to existing shareholders.

As the directors have no intention of exercising these authorities, there will be no resolution to grant these powers at the forthcoming Annual General Meeting.

This will not, however, prevent shares from being allotted or treasury shares being sold to individuals who exercise options under any share option scheme of the Company.

Directors' report continued

Purchase of own shares

Resolution number 8 set out in the notice of the Annual General Meeting will, if it is approved, allow the Company to exercise the authority contained in the Articles of Association to purchase its own shares. The Board has the firm intention that the Company should make purchases of its own shares if the proposed authority becomes effective, where circumstances arise in which such a purchase would be desirable.

Purchases will only be made on the Alternative Investment Market and only in circumstances where the directors believe that they are in the best interests of the shareholders generally. Furthermore, purchases will only be made if the directors believe that they would result in an increase in earnings per share.

The proposed authority will be limited by the terms of the special resolution to the purchase of 11,893,559 ordinary shares representing 10% of the Company's issued ordinary share capital at 1 October 2026 and a nominal value of £118,936.

The minimum price per ordinary share payable by the Company (exclusive of expenses) will be 1p. The maximum to be paid will be an amount not more than 5% above the average of the middle market quotations for ordinary shares of the Company as derived from the Alternative Investment Market on the five business days immediately preceding the date of each purchase. The Company may either cancel any shares which it purchases under this authority or transfer them into treasury, and subsequently sell or transfer them out of treasury or cancel them.

The maximum number of shares and the permitted price range are stated in order to comply with statutory and Stock Exchange requirements and should not be taken as representative of the number of shares (if any) which may be purchased, or the terms of such a purchase.

The authority will lapse on the date of the Annual General Meeting of the Company in 2027. However, in order to maintain the Board's flexibility of action, it is envisaged that it will be renewed at future Annual General Meetings.

During the year ended 30 June 2026, the Board exercised its authority, granted at the Annual General Meeting held on 28 November 2025 to purchase 4,200,000 shares, equating to 3.5% of the Company's issued ordinary share capital at an average price of 279p per share. No price paid was more than 5% above the average of the middle market quotations for ordinary shares of the Company as derived from the Alternative Investment Market on the five business days immediately preceding the date of each purchase.

Statement on the provision of information to independent auditors

The auditors have direct access to all members of the Audit and Risk Committee and attend and present their reports at appropriate Board meetings. The Board considers, at least annually, the relationships and fees in place with the auditors to confirm their independence is maintained.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the next Annual General Meeting.

Going concern

The directors confirm they are satisfied that the Group and Company have adequate resources, with £55.4m (Group) and £38.4m (Company) in cash and short-term financial assets to continue in business for the foreseeable future, including the effect of increased costs caused by the on-going conflict zones, where the Group has no sales, and other global events. They have also produced an analysis that demonstrates that the Group could cover its cash commitments even if there was a significant, but plausible reduction in sales of 10% over the following year from approving these accounts. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group's and the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Group's and the Company's auditors are aware of that information.

Approval of strategic and directors' reports

The directors confirm that the information contained within the Strategic Report on pages 16 to 67 and the Directors' Report on pages 78 to 80 is an accurate representation of the Group's strategy and performance.

By order of the Board



Craig Muncaster
Chief Executive,
Group Financial Director and
Company Secretary

1 October 2026

Registered Office:
Merse Road
North Moons Moat
Redditch
Worcestershire
B98 9HH

Company Registration Number: 317886

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the Accounts in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with UK-adopted international accounting standards.

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

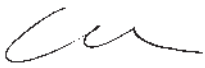
- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that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

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

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

By order of the Board



Craig Muncaster
Chief Executive,
Group Financial Director and
Company Secretary

1 October 2026

Directors' remuneration report

The Board has prepared this report to the shareholders, taking into account sections 420 to 422 of the Companies Act 2006.

The Board has delegated the responsibility for the executive directors' remuneration to the Remuneration Committee. The scope of their responsibilities includes the executive directors' service contracts, salaries and other benefits, which comprise their terms and conditions of employment.

Remuneration Committee

The current members of the Remuneration Committee are the non-executive directors M Allcock (Chairman of the Committee), I A Thorpe, A B Thorpe, and F Haafkens.

The Committee has met as and when required during the financial year. No member of the Committee has any personal financial interest in the matters to be decided other than as shareholders. There are no conflicts of interest arising from cross-directorships or day-to-day involvement in running the business. The Committee has access to market data when considering the remuneration of the executive directors.

Remuneration policy

Executive directors

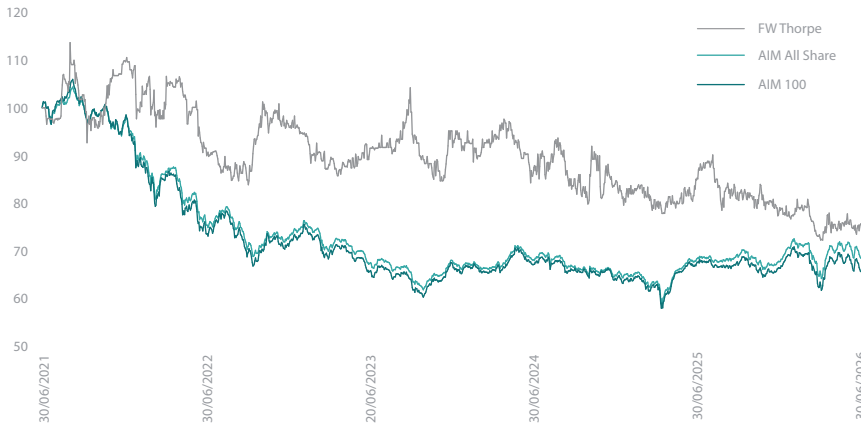
The aim of the Committee is to ensure that the executive directors are fairly rewarded for their responsibilities and contribution to the performance of the Group. The Committee seeks to achieve this with a combination of performance- and non-performance-related remuneration designed to attract, retain and motivate the directors.

In establishing the salaries of the directors, the Committee takes into account the responsibilities and performance of the individual together with data from comparable organisations and indicative trends for the business and its economic sector.

Performance graph

The graph below shows the comparative data for the FTSE AIM share index and the AIM100 index, rebased to 100, as these are considered to be the most appropriate comparative indices for the Company's business.

Total shareholder return



The remuneration package consists of the following elements:

Basic salary, benefits in kind and other benefits. The salary is determined in July each year, unless there has been a change in responsibilities, where an adjustment will be made at the same time. The benefits in kind mainly consist of the provision of a car and health insurance. A director may choose to take a cash allowance instead of a car. Other benefits consist of pension arrangements and life assurance.

Annual bonus. The bonus is derived from the operating profit of the Group and the specific responsibilities of the executive director. The bonuses are paid at the discretion of the Remuneration Committee and relate to the period ending on 30 June in the same year.

Long-term incentive scheme. This scheme consists of the "Executive Share Ownership Plan" (ESOP) details of which are shown on page 85.

Non-executive directors

The Board as a whole determines the remuneration of the non-executive directors. The Board takes into account the contribution made and the relative time spent on the Company's affairs. The non-executive directors do not receive bonuses. Their benefits in kind consist of the provision of health insurance.

Directors' service contracts

C Muncaster and J E Thorpe have service contracts terminable on one year's notice. A B Thorpe, I A Thorpe, F Haafkens and M Allcock do not have formal service contracts with the Company.

Directors' emoluments (audited)

	2026 Salary/fees £'000	2026 Bonus £'000 ¹	2026 Benefits £'000	2026 Total £'000 ²	2025 Total £'000 ²	2026 Share options gains £'000	2025 Share options gains £'000	2026 Total £'000 ²	2025 Total £'000 ²
Executive directors									
C Muncaster	442	364	10	816	810	–	41	816	851
J E Thorpe	208	319	4	531	533	–	–	531	533
Non-executive directors									
A B Thorpe	50	–	16	66	64	–	–	66	64
I A Thorpe	50	–	16	66	64	–	–	66	64
M Allcock	134	–	5	139	134	–	–	139	134
F Haafkens	48	–	–	48	41	–	–	48	41
	932	683	51	1,666	1,646	–	41	1,666	1,687

¹ Directors bonuses are calculated based on a percentage of the Group operating profit.
² The Directors emoluments exclude contributions for pensions.

Directors' pension arrangements (audited)

The FW Thorpe Retirement Benefits Scheme is a funded, HMRC-approved occupational defined benefit pension scheme that was closed to new members on 1 October 1995. The defined benefit section aims to provide a maximum pension of two-thirds of pensionable salary at normal retirement date. I A Thorpe, A B Thorpe and M Allcock are retired members of the defined benefit scheme.

The Company has entered into pension compensation arrangements with C Muncaster and J E Thorpe to compensate them for the loss of employer pension contributions due to annual allowance limits. During the financial year the Company paid pension compensation to C Muncaster £75,179 (2025: £72,990) and to J E Thorpe £35,346 (2025: £34,317).

All the executive directors are covered by life assurance benefit of four times pensionable salary.

There are no directors, excluding those classified as pensioners, having accrued entitlements in the defined benefit pension scheme.

Directors' remuneration report continued

CEO pay ratio

FW Thorpe, being a UK listed company with more than 250 employees, is required to disclose annually the ratio of the CEO's pay to the lower quartile, median and upper quartile pay of their UK employees. These details are shown in the table below.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025–26	Option A	24:1	17:1	10:1
2024–25	Option A	25:1	18:1	10:1
2023–24	Option A	28:1	20:1	11:1
2022–23	Option A	27:1	19:1	9:1
2021–22	Option A	26:1	18:1	9:1

Option A was chosen as it represents the most accurate means of identifying the percentiles. The comparison is based on data for the year ended 30 June 2026. The table below sets out the salary and total pay and benefits for the three quartiles.

	25th percentile pay	Median pay	75th percentile pay
Base salary	£28,027	£36,828	£58,349
Total remuneration	£37,982	£52,429	£90,500

Directors' shareholdings (audited)

The directors listed below were in office during the year. Directors' interests in the share capital of the Company at 30 June 2026 and 30 June 2025 were as follows:

	Ordinary shares of 1p Beneficial	
	2026	2025
Executive directors		
C Muncaster	160,000	160,000
J E Thorpe	2,164,682	2,164,682
Non-executive directors		
A B Thorpe	25,892,700	25,892,700
I A Thorpe	25,047,120	25,047,120
M Allcock	235,450	235,450
F Haafkens	–	–

The market price of the Company's shares at the beginning and end of the financial year was 320.5p and 253p respectively, and the range of market prices during the year was from 240p to 350p.

Executive share ownership plan (ESOP) (audited)

Share options were granted during 2024, under a Company ESOP to Company's executive directors and certain directors of subsidiary companies. This plan allows for the vesting of options subject to the achievement of performance targets, being:

- Annual growth of pre-tax basic earnings per share in excess of CPI plus 2% over a five-year period;
- Total shareholder return where the Company must be ranked above the median of the comparator group at the end of the five-year period; and
- Appropriate progress towards the Group's carbon reduction target in line with the Group's sustainability strategy, and any published commitments made at the end of the five-year period.

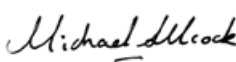
The options that were granted to the executive directors are detailed in the table below.

	C Muncaster	J E Thorpe
Date granted	30 May 2024	30 May 2024
Share options	200,000	200,000
Exercise price (p) - Approved options	375	375
Exercise price (p) - Unapproved options	337.5	337.5

	C Muncaster	J E Thorpe
Number at 1 July 2025	200,000	200,000
Awarded	–	–
Exercised	–	–
Forfeited	–	–
Lapsed	–	–
Number at 30 June 2026	200,000	200,000
Of which:		
Vested at 1 July 2025	29,440	29,440
Vested in the year	34,560	34,560
Total vested	64,000	64,000

There have been no changes in the interests of the directors in the share capital of any company in the Group during the period 1 July 2026 to 1 October 2026.

Approved by the Board and signed on its behalf by:



Mike Allcock
Chairman

1 October 2026

Independent Auditors' Report

TO THE MEMBERS OF FW THORPE PLC

Report on the audit of the financial statements

Opinion

In our opinion, FW Thorpe Plc's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 30 June 2026 and of the group's profit and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts (the "Annual Report"), which comprise:

- the Consolidated and Company statements of financial position as at 30 June 2026;
- the Consolidated income statement for the year then ended;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated statement of changes in equity for the year then ended;
- the Company statement of changes in equity for the year then ended;
- the Consolidated and Company statements of cash flows for the year 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 (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other listed entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- A full scope audit was conducted of the complete financial information of two reporting units: Thorlux Lighting (the Company, located in the UK) and Lightronics Participaties B.V. (located in the Netherlands).
- Audit work over the two full-scope reporting units, together with audit of specific Financial Statement Line Items (FSLIs) and specified procedures at other reporting units, and additional procedures over centralised functions and the consolidation at Group level, provided the audit evidence we needed for our opinion on the Group financial statements as a whole.

Key audit matters

- Defined Benefit Pension Obligation valuation - Liability assumptions (group and parent)
- Valuation of the goodwill generated on the acquisition of SchahLED (group)

Materiality

- Overall group materiality: £1,621,000 (2025: £1,581,000) based on 5% of profit before tax.
- Overall company materiality: £1,169,000 (2025: £1,187,000) based on 5% of profit before tax.
- Performance materiality: £1,216,000 (2025: £1,186,000) (group) and £877,000 (2025: £890,000) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

Valuation of the goodwill generated on the acquisition of SchahLED is a new key audit matter this year. Valuation of the future consideration payable for Electrozemper S.A. and Lumen Intelligence Holding GmbH due to estimation in forecasts, which was a key audit matter last year, is no longer included because of the settlement of the Electrozemper liability during the year, reducing the estimation uncertainty. Otherwise, the key audit matters below are consistent with last year.

Key audit matter

Defined Benefit Pension Obligation valuation – Liability assumptions (group and parent)

Refer to critical accounting estimates and judgements in note 1 to the financial statements and note 22 relating to the pension scheme. The Group and company operates a hybrid defined benefit and defined contribution pension scheme and recognises its obligations to employee retirement benefits. The quantification of these obligations is subject to significant estimates and assumptions regarding life expectancy, discount and inflation rates. In making these assumptions the Group and company takes advice from an independent qualified actuary about which assumptions best reflect the nature of the obligations to employee retirement benefits.

Valuation of the goodwill generated on the acquisition of SchahLED (group)

Refer to accounting estimates in note 1 and note 9 of the financial statements. The Group has goodwill of £14.3m arising from the prior acquisition of SchahLED in 2022. In accordance with IAS 36, this goodwill is tested annually for impairment by comparing its carrying value with the recoverable amount of the relevant group of cash-generating units. The recoverable amount has been determined using a value-in-use model based on estimated future cash flows, which concludes that no impairment is required. The assessment looks at a number of assumptions, including forecast revenue growth, operating margins, discount rates and long-term growth rates.

How our audit addressed the key audit matter

In undertaking our audit procedures: we obtained and reviewed the actuary's report on assumptions and methodology used to value the scheme liability; compared the assumptions with PwC's expected range taking into account the attributes of the scheme and challenged the actuaries on any unexpected differences; tested the accuracy of the data used by the actuary to underlying payroll records and assessed the appropriateness of the related disclosures. We consider that the valuation of the defined benefit pension obligation to be appropriate and appropriately disclosed.

We obtained and evaluated management's impairment assessment and considered the appropriateness of the methodology applied, including the identification and grouping of cash-generating units ("CGUs") for the purposes of impairment testing. We tested the mathematical accuracy of the value-in-use model and agreed the asset carrying values included in the assessment to supporting records. We challenged the key assumptions underpinning the forecast cash flows, including revenue growth, operating margins, working capital movements, capital expenditure and long-term growth assumptions, by comparing these to historical performance, budgets, subsequent trading and available market information. We independently assessed the discount rate used and performed sensitivity analysis over key assumptions, both individually and in combination, to determine whether an impairment would arise. We tested the related disclosures made by management and ensured they were compliant with accounting standards. We found management's impairment assessment and related disclosures to be reasonable.

Independent Auditors' Report continued

TO THE MEMBERS OF FW THORPE PLC continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group financial statements are a consolidation of multiple reporting units most significantly across the UK, the Netherlands, Spain and Germany, comprising the group's operating businesses and centralised functions. These reporting units maintain their own accounting records and controls and report to the head office finance team for consolidation purposes.

In establishing the overall approach to the Group audit, we identified two reporting units which, in our view, required an audit of their complete financial information due to their size and risk characteristics: Thorlux (the Company, located in the UK) and Lightronics (located in the Netherlands).

The Group engagement team audited Thorlux, while a component team in the Netherlands audited Lightronics. Where balances at other reporting units exceeded Group performance materiality and represented a notable proportion of an FSLI, those balances were subject to audit procedures performed by component teams in the relevant locations. The audit work performed at these two reporting units, together with the audit of specific FSLIs at Famostar and TRT, specified procedures performed at Electrozemper, and additional procedures over centralised functions and the consolidation at Group level, provided the audit evidence we needed for our opinion on the Group financial statements as a whole.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand the process adopted to assess the potential impact of climate risk on the Group's and company's financial statements and to support the disclosures made within

the sustainability section of the Strategic report. We evaluated management's climate change risk assessment, including the identified physical and transition risks, and considered their potential impact on the Group's and company's financial statements. Our procedures did not identify any material impact of climate risk on the Group's and company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £266,000 and £1,169,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2025: 75%) of overall materiality, amounting to £1,216,000 (2025: £1,186,000) for the group financial statements and £877,000 (2025: £890,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £81,000 (group audit) (2025: £79,000) and £58,000 (company audit) (2025: £59,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

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

- Testing the reasonableness of the going concern model and assessing the assumptions used in management's assessment which covers the period to 31 December 2027;

- Management's base case forecasts are based on its normal budget and forecasting process and they have produced a downside model. We understood and assessed this process, including the assumptions used, for 2026 and 2027 and assessed whether there was adequate support for these assumptions; and
- We assessed the adequacy of the going concern disclosures in note 1 to the financial statements.

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially

misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2026 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£1,621,000 (2025: £1,581,000).	£1,169,000 (2025: £1,187,000).
How we determined it	5% of profit before tax	5% of profit before tax
Rationale for benchmark applied	Profit before tax is a key metric used by stakeholders in assessing the financial performance of the Group and is therefore considered an appropriate benchmark.	Profit before tax is a key metric used by stakeholders in assessing the financial performance of the Company and is therefore considered an appropriate benchmark.

Independent Auditors' Report continued

TO THE MEMBERS OF FW THORPE PLC continued

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to AIM Rules for Companies, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006 and taxation legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group

engagement team and/or component auditors included:

- enquiry of management and those charged with governance around actual and potential litigation and claims;
- enquiry of entity staff in finance and compliance functions to identify any instances of non-compliance with laws and regulations;
- reviewing minutes of meetings of those charged with governance;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, testing accounting estimates (because of the risk of management bias), and evaluating the business rationale of significant transactions outside the normal course of business;
- reviewing component teams key working papers for all in-scope components with a particular focus on the areas involving judgement and estimates as well as journals testing; and
- incorporating elements of unpredictability into our audit procedures.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not

detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Laura Hill

Laura Hill (Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP

**Chartered Accountants and
Statutory Auditors**

Birmingham

1 October 2026

Our Financials



Nuffield Health

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Nuffield Health Bristol Hospital Bristol, United Kingdom Thorlux Lighting

Thorlux delivered a fully integrated lighting solution at the Nuffield Health Bristol Hospital, combining high-efficiency LED luminaires with the intelligent SmartScan lighting management system. The scheme was designed, installed and commissioned by Thorlux, providing complete confidence in safety, performance, and long-term regulatory compliance.

Consolidated income statement

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 £'000	2025 £'000
Continuing operations			
Revenue	2	172,947	175,221
Cost of sales		(87,852)	(91,086)
Gross profit		85,095	84,135
Distribution costs		(25,255)	(22,374)
Administrative expenses		(28,512)	(30,210)
Other operating income		471	506
Operating profit	3	31,799	32,057
Finance income	5	1,489	1,654
Finance expense	5	(258)	(729)
Share of loss of joint ventures	13	(608)	(1,360)
Profit before income tax		32,422	31,622
Income tax expense	6	(5,351)	(6,210)
Profit for the year		27,071	25,412

Earnings per share from continuing operations attributable to the equity holders of the Company during the year (expressed in pence per share).

Basic and diluted earnings per share	Note	2026 pence	2025 pence
– Basic	7	23.72	21.69
– Diluted	7	23.72	21.69

The notes on pages 100 to 148 form part of these financial statements.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company income statement.

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	2026 £'000	2025 £'000
Profit for the year:		27,071	25,412
Other comprehensive income/(expense)			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		78	887
		78	887
Items that will not be reclassified to profit or loss			
Revaluation of financial assets at fair value through other comprehensive income	14	975	208
Movement on deferred tax associated to financial assets at fair value through other comprehensive income	24	(244)	(52)
Reversal of deferred tax on disposed financial assets at fair value through other comprehensive income	24	123	102
Actuarial gain/(loss) on pension scheme	22	181	(501)
Movement on unrecognised pension scheme surplus	22	(152)	323
		883	80
Other comprehensive income for the year, net of tax		961	967
Total comprehensive income for the year		28,032	26,379

The notes on pages 100 to 148 form part of these financial statements.

Consolidated and Company statements of financial position

AS AT 30 JUNE 2026

	Notes	Group		Company	
		2026 £'000	2025 £'000	2026 £'000	2025 £'000
Assets					
Non-current assets					
Property, plant and equipment	8	39,787	39,351	14,345	13,251
Intangible assets	9	64,355	65,057	3,644	3,205
Investments in subsidiaries	10	–	–	57,865	20,486
Investment properties	11	4,317	4,362	10,811	11,049
Financial assets at amortised cost	12	114	188	–	–
Equity accounted joint ventures	13	5,205	5,773	–	–
Financial assets at fair value through other comprehensive income	14	4,069	3,510	4,047	3,489
Deferred income tax assets	24	376	437	–	–
Total non-current assets		118,223	118,678	90,712	51,480
Current assets					
Inventories	15	29,522	29,710	12,728	13,745
Trade and other receivables	16	36,939	36,168	27,389	25,289
Financial assets at amortised cost	12	1,676	1,600	15,018	49,165
Short-term financial assets	17	8,267	18,805	8,267	15,380
Cash and cash equivalents	18	47,176	42,983	30,185	34,202
Total current assets		123,580	129,266	93,587	137,781
Total assets		241,803	247,944	184,299	189,261
Liabilities					
Current liabilities					
Trade and other payables	19	(29,860)	(39,247)	(21,825)	(25,768)
Financial liabilities	20	(262)	(415)	–	–
Lease liabilities	21	(945)	(910)	(16)	(19)
Current income tax liabilities		(181)	(847)	–	–
Total current liabilities		(31,248)	(41,419)	(21,841)	(25,787)
Net current assets		92,332	87,847	71,746	111,994
Non-current liabilities					
Other payables	19	(3,273)	(4,018)	–	–
Financial liabilities	20	(591)	(829)	–	–
Lease liabilities	21	(2,666)	(2,998)	(17)	(33)
Provisions for liabilities and charges	23	(3,100)	(3,310)	(1,080)	(1,443)
Deferred income tax liabilities	24	(5,387)	(5,577)	(2,357)	(1,994)
Total non-current liabilities		(15,017)	(16,732)	(3,454)	(3,470)
Total liabilities		(46,265)	(58,151)	(25,295)	(29,257)
Net assets		195,538	189,793	159,004	160,004
Equity					
Issued share capital	25	1,189	1,189	1,189	1,189
Share premium account	26	3,113	3,113	3,113	3,113
Capital redemption reserve	26	137	137	137	137
Foreign currency translation reserve	26	2,490	2,412	–	–
Retained earnings:					
At 1 July		182,942	170,823	155,565	148,836
Profit for the year attributable to the owners		27,071	25,412	20,404	20,022
Other changes in retained earnings		(21,404)	(13,293)	(21,404)	(13,293)
Total equity		195,538	189,793	159,004	160,004

The Company generated profit before income tax of £23,387,000 (2025: £23,746,000) and profit for the year of £20,404,000 (2025: £20,022,000).

The notes on pages 100 to 148 form part of these financial statements.

The financial statements on pages 94 to 99 were approved by the Board on 1 October 2026 and signed on its behalf by



Mike Allcock



Craig Muncaster

Company Registration Number: 317886

Consolidated statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Issued share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2024		1,189	3,088	137	1,525	170,823	176,762
Comprehensive income/(expense)							
Profit for the year to 30 June 2025		–	–	–	–	25,412	25,412
Actuarial loss on pension scheme	22	–	–	–	–	(501)	(501)
Movement on unrecognised pension scheme surplus	22	–	–	–	–	323	323
Revaluation of financial assets at fair value through other comprehensive income	14	–	–	–	–	208	208
Movement on deferred tax associated to financial assets at fair value through other comprehensive income	24	–	–	–	–	(52)	(52)
Reversal of deferred tax on disposed financial assets at fair value through other comprehensive income	24	–	–	–	–	102	102
Exchange differences on translation of foreign operations		–	–	–	887	–	887
Total comprehensive income		–	–	–	887	25,492	26,379
Transactions with owners							
Shares issued from exercised options		–	25	–	–	–	25
Dividends paid to shareholders	27	–	–	–	–	(10,958)	(10,958)
Purchase of own shares	25	–	–	–	–	(3,135)	(3,135)
Share-based payment charge		–	–	–	–	720	720
Total transactions with owners		–	25	–	–	(13,373)	(13,348)
Balance at 30 June 2025		1,189	3,113	137	2,412	182,942	189,793
Comprehensive income/(expense)							
Profit for the year to 30 June 2026		–	–	–	–	27,071	27,071
Actuarial gain on pension scheme	22	–	–	–	–	181	181
Movement on unrecognised pension scheme surplus	22	–	–	–	–	(152)	(152)
Revaluation of financial assets at fair value through other comprehensive income	14	–	–	–	–	975	975
Movement on deferred tax associated to financial assets at fair value through other comprehensive income	24	–	–	–	–	(244)	(244)
Reversal of deferred tax on disposed financial assets at fair value through other comprehensive income	24	–	–	–	–	123	123
Exchange differences on translation of foreign operations		–	–	–	78	–	78
Total comprehensive income		–	–	–	78	27,954	28,032
Transactions with owners							
Dividends paid to shareholders	27	–	–	–	–	(11,139)	(11,139)
Purchase of own shares	25	–	–	–	–	(11,775)	(11,775)
Share-based payment charge		–	–	–	–	627	627
Total transactions with owners		–	–	–	–	(22,287)	(22,287)
Balance at 30 June 2026		1,189	3,113	137	2,490	188,609	195,538

The notes on pages 100 to 148 form part of these financial statements.

Company statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Issued share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 July 2024		1,189	3,088	137	148,836	153,250
Comprehensive income/(expense)						
Profit for the year to 30 June 2025		–	–	–	20,022	20,022
Actuarial loss on pension scheme	22	–	–	–	(501)	(501)
Movement on unrecognised pension scheme surplus	22	–	–	–	323	323
Revaluation of financial assets at fair value through other comprehensive income	14	–	–	–	208	208
Movement on deferred tax associated to financial assets at fair value through other comprehensive income	24	–	–	–	(52)	(52)
Reversal of deferred tax on disposed financial assets at fair value through other comprehensive income	24	–	–	–	102	102
Total comprehensive income		–	–	–	20,102	20,102
Transactions with owners						
Shares issued from exercised options		–	25	–	–	25
Dividends paid to shareholders	27	–	–	–	(10,958)	(10,958)
Purchase of own shares	25	–	–	–	(3,135)	(3,135)
Share-based payment		–	–	–	720	720
Total transactions with owners		–	25	–	(13,373)	(13,348)
Balance at 30 June 2025		1,189	3,113	137	155,565	160,004
Comprehensive income/(expense)						
Profit for the year to 30 June 2026		–	–	–	20,404	20,404
Actuarial gain on pension scheme	22	–	–	–	181	181
Movement on unrecognised pension scheme surplus	22	–	–	–	(152)	(152)
Revaluation of financial assets at fair value through other comprehensive income	14	–	–	–	975	975
Movement on deferred tax associated to financial assets at fair value through other comprehensive income	24	–	–	–	(244)	(244)
Reversal of deferred tax on disposed financial assets at fair value through other comprehensive income	24	–	–	–	123	123
Total comprehensive income		–	–	–	21,287	21,287
Transactions with owners						
Dividends paid to shareholders	27	–	–	–	(11,139)	(11,139)
Purchase of own shares	25	–	–	–	(11,775)	(11,775)
Share-based payment		–	–	–	627	627
Total transactions with owners		–	–	–	(22,287)	(22,287)
Balance at 30 June 2026		1,189	3,113	137	154,565	159,004

The notes on pages 100 to 148 form part of these financial statements.

Consolidated and Company statements of cash flows

FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Group		Company	
		2026 £'000	2025 £'000	2026 £'000	2025 £'000
Cash flows from operating activities					
Cash generated from operations	29	37,383	40,081	19,283	24,452
Tax paid		(6,549)	(6,841)	(3,577)	(3,321)
Net cash inflow from operating activities		30,834	33,240	15,706	21,131
Cash flows from investing activities					
Purchases of property, plant and equipment		(5,558)	(5,601)	(3,910)	(3,656)
Proceeds from sale of property, plant and equipment		321	404	211	288
Purchases of intangible assets		(3,188)	(2,782)	(1,565)	(1,747)
Proceed from disposal of a subsidiary		–	–	287	–
Payment of deferred consideration on a joint venture		–	(813)	–	–
Purchase of investment property		–	(5)	(8)	(5)
Proceeds from sale of financial assets at fair value through other comprehensive income		617	706	617	706
Purchases of financial assets at fair value through other comprehensive income		(200)	(250)	(200)	(250)
Property rental and similar income received		54	70	404	426
Dividend income received		179	276	2,054	1,576
Net withdrawal of short-term financial assets		10,588	203	7,113	1,038
Interest received		1,272	1,305	1,431	1,918
Receipts from loans receivable		–	–	4,011	6,781
Issue of loans receivables		(48)	(649)	(7,389)	(1,519)
Net cash inflow/(outflow) from investing activities		4,037	(7,136)	3,056	5,556
Cash flows from financing activities					
Net proceeds from the issuance of ordinary shares		–	25	–	25
Purchase of own shares	25	(11,775)	(3,135)	(11,775)	(3,135)
Addition of lease liabilities		–	5	–	–
Repayment of borrowings		(400)	(1,219)	–	–
Principal element of lease payments		(1,016)	(890)	(19)	(14)
Payment of interest		(223)	(243)	(2)	(5)
Payment of redemption liability to non-controlling interests		(5,588)	–	–	–
Payments to non-controlling interests		(700)	(470)	–	–
Dividends paid to Company's shareholders	27	(11,139)	(10,958)	(11,139)	(10,958)
Net cash outflow in financing activities		(30,841)	(16,885)	(22,935)	(14,087)
Net increase/(decrease) in cash in the year		4,030	9,219	(4,173)	12,600
Cash and cash equivalents at beginning of year		42,983	33,943	34,202	21,806
Effects of exchange rate changes on cash		163	(179)	156	(204)
Cash and cash equivalents at end of year		47,176	42,983	30,185	34,202

The notes on pages 100 to 148 form part of these financial statements.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

1 Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements and Company financial statements (the “financial statements”) are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

F.W. Thorpe Public Limited Company (“FW Thorpe” or the “Company”) is incorporated in England and Wales, United Kingdom. The Company is domiciled in the United Kingdom. The Company is a public limited company, limited by shares, which is listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

The address of its registered office is Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH, England, United Kingdom.

Basis of preparation

The consolidated and Company financial statements of the Company have been prepared in accordance with UK adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, with future changes being subject to endorsement by the UK Endorsement Board.

The financial statements have been prepared on a going concern basis, under the historical cost convention except for the financial assets measured at fair value through other comprehensive income and financial liabilities measured at fair value through profit and loss (which include redemption liabilities) per the provisions of IFRS 9.

There are no new standards that are not yet effective that are expected to have a material impact on the Group recognition and measurement of assets, liabilities, income or expenses. The Group notes that IFRS 18 “Presentation and Disclosure in Financial Statements” is effective from periods commencing 1 January 2027. While the standard is not expected to have a material impact on recognition or measurement, 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. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the group’s net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following item might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item ‘other income and other gains/(losses) – net’ in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of ‘useful structured summary’ and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2027 will be restated in accordance with IFRS 18.

The financial statements are presented in Pounds sterling, which is the Company’s functional and presentation currency, rounded to the nearest thousand.

The preparation of financial information in conformity with the basis of preparation described above requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s and 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 information, are disclosed in the critical accounting estimates and judgements section.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the Company income statement.

1 Accounting policies continued

Going concern

The consolidated financial statements are prepared on a going concern basis, which assumes that the Group will continue in operational existence for the foreseeable future, and at least for the 12 months from the date these financial statements are approved.

In assessing the going concern position of the Group for the year ended 30 June 2026, the directors have considered forecasts and cash flow projections covering a period of 18 months, the principal risks and uncertainties, including the effect of increased costs caused by the ongoing conflicts in certain regions, although the Group does not sell directly into those markets.

The directors have assessed a significant, but plausible downside scenario where revenue reduces by 10% and a downside stress test with revenue reducing by 33%. In both scenarios the employee and other fixed costs base has been maintained, with inflationary increases, together with continuing capital investment, dividend and share buyback plans. Even with no actions taken to reduce discretionary costs, the downside stress test shows that the Group would still be in a positive cash position at the end of the going concern period. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

Basis of consolidation

The consolidated financial statements for FW Thorpe incorporate the financial statements of the Company and its subsidiary undertakings (collectively referred to as the “Group”).

A subsidiary is an entity that is controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Intra-group transactions, balances, income and expenses are eliminated in preparing consolidated financial statements, accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group. Unrealised profits and losses arising from intra-group transactions are also eliminated unless they provide evidence of impairment of the transferred asset.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a sales and purchase agreement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed on a business combination are measured initially at their fair values at the acquisition date.

Where the Group has an obligation to pay outstanding consideration in a business combination, a liability is recognised equal to the calculated future fair value as at the date of the statement of financial position.

Non-controlling interests

Where the Group obtains control of a subsidiary without any contractual obligation to purchase the remaining non-controlling interests, the non-controlling interest (“NCI”) is recognised in equity. NCI is measured either at fair value, or at the proportionate share of the acquiree’s net assets, as elected on a transaction-by-transaction basis in accordance with IFRS 3. Subsequent to acquisition, NCI is adjusted for its share of profit or loss and other comprehensive income, with changes presented within equity. Transactions with NCI that do not result in loss of control are accounted for as equity transactions.

Where the Group has a present obligation to acquire the non-controlling interests of a subsidiary under a contractual arrangement, the subsidiary is consolidated as though the Group has acquired 100% of the equity interest, no non-controlling interest is recognised. Instead, a financial liability is recognised for the obligation to purchase the remaining interest, measured initially at fair value and subsequently remeasured through profit or loss in accordance with IFRS 9. Any profits attributable to non-controlling interests, if any, are treated as a finance expense of the Group. For the purpose of identification, the term “non-controlling interest” is also used in these financial statements to describe such arrangements, even though no non-controlling interest is recognised in equity.

The Group currently only has non-controlling interests where it has a present contractual obligation to acquire the remaining equity interest and has therefore applied the policy in the second paragraph above.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

1 Accounting policies *continued*

Equity accounted joint ventures

Under IFRS 11, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

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

Where the Group's share of losses in an equity-accounted joint venture equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Revenue recognition

The Group recognises revenue earned from contracts based on individual performance obligations using the five-step model under IFRS 15. Revenue from contracts with customers is recognised when control of the goods are transferred to the customer, or the service is performed, at an amount that reflects the consideration the Group is entitled to in exchange for those goods or services, excluding VAT, trade discounts and rebates.

The Group has generally concluded that it is the principal in its revenue arrangements. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. The normal credit terms are 30 to 90 days from delivery, or completion of the service provided.

Revenue from external customers is derived from the supply of light fittings and services to support the sale of these light fittings. These services include surveying, project management, installation and commissioning. The transaction price for both the light fittings and the service agreements are at fair value as if each of those services are provided individually.

Revenue Stream	Revenue Recognition
Light fittings	Revenue is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods
Services	Revenue is recognised over time the service is performed

No significant judgements are required in applying IFRS 15 to service contracts.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. service agreements). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The Group reduces revenue for expected sales returns, refunds, rebates, and other similar obligations. Estimates are based on historical experience and updated at each reporting date.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method. When a receivable is impaired the Group reduces the carrying amount to its recoverable amount, being the estimated cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

Interest on impaired loans is recognised using the original effective interest rate.

Dividend income

Dividend income is recognised when the right to receive payment is established.

1 Accounting policies *continued*

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 performance of the operating segments, is identified as the Group Board.

The Group has eleven operations which are organised into four operating segments based on the products and customer base in the lighting market – the largest operating segment is Thorlux, which manufactures professional lighting systems for industrial, commercial and controls markets, and comprises the operations of FW Thorpe, SchahlLED Lighting GmbH and Thorlux Lighting Limited in accordance with the Group's internal reporting. The operating segment of Netherlands companies, which manufactures external and impact resistance lighting and illuminated signs, include the operations of Lightronics B.V. and Famostar Emergency Lighting B.V.. The operating segment of Zemper Group, which manufactures illuminated signs, include operations of ElectroZemper S.A. and its subsidiaries. The five remaining operations are included within the "other companies" operating segment, comprising the operations of Philip Payne Limited, Solite Europe Limited, Portland Lighting Limited, TRT Lighting Limited, and Thorlux Australasia Pty Limited, which manufacture illuminated signs, cleaning room lighting, lighting for signs and lighting for roads and tunnels, and distribution of professional lighting systems.

Pension costs

The Group operates a defined benefit pension scheme, which provides benefits to members. This scheme was closed to future accrual from 30 June 2026.

The assets of the scheme are invested and managed independently of the finances of the Group. Pension costs are assessed in accordance with the advice of an independent qualified actuary. Costs include the regular cost of providing benefits, which it is intended should remain at a substantially level percentage of current and expected future earnings of the employees covered. Variations from the regular pensions cost are spread evenly through the income over the remaining service lives of current employees.

The liability or surplus recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit 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.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in the statement of comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the income statement, at the earlier of when the plan amendment or curtailment occurs, or when the entity recognises related restructuring costs or termination benefits.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit surplus is only recognised if it meets the following criteria: if the Group has an unconditional right to a refund; or if the Group can realise it at some point during the life of the plan or when the plan liabilities are settled. If the criteria are not met the defined benefit surplus is not recognised. The defined benefit pension scheme is in surplus however, no asset has been recognised as the Group does not have an unconditional right to a refund of the surplus and therefore the recognition criteria for a defined benefit asset are not met.

For defined contribution plans and pure defined contribution elements, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis.

The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense in the income statement as they fall due, or as an accrued or prepaid expense. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Foreign currencies

Transactions in foreign currency are converted to sterling using the exchange rate applicable to the date of the transaction. Foreign currency gains and losses resulting from the settlement of foreign currency transactions at a different time are recognised in the income statement. Currency exchange differences arising from holding monetary assets or liabilities in a foreign currency are fair valued at the statement of financial position date in accordance with prevailing exchange rates and resulting gains or losses are recognised in the income statement. The translation of financial statements from foreign currencies is recognised in the foreign currency translation reserve and in the consolidated statement of comprehensive income at the prevailing exchange rates.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

1 Accounting policies *continued*

Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Dividend distribution

Final dividend distribution to the Company's shareholders is recognised as a liability in the Company's and Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised as a distribution in the Company's and Group's financial statements when paid.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses where applicable. Cost includes the original purchase price together with the costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is calculated on a straight-line basis to write down the cost less estimated residual value of all plant and equipment assets by equal instalments over their expected useful life. Right of use assets are depreciated at the rates below according to their asset classification. The rates generally applicable are:

Freehold land	Nil
Buildings	2%–10%
Plant and equipment	10%–50%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at each statement of financial position date. Assets are reviewed for impairment where there is an indication that the carrying value may not be recoverable.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the income statement.

Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liability: The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses an incremental borrowing rate which is the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Right-of-use assets: The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss in line with the Group's existing impairment accounting policy.

1 Accounting policies *continued*

Short-term leases and leases on low-value assets

For these leases, payments made under them are charged to the income statement on a straight-line basis over the term of the lease.

Intangible assets

Development costs

The Group undertakes development activities on an ongoing basis. Part of these costs relate to projects where the benefit is received in the short term (less than one year) and part relates to longer term projects where the benefit is expected to be received for several years to come. Costs associated with the shorter term activities are expensed as and when they are incurred. Costs (including costs generated internally and third party costs) associated with the longer term projects are capitalised as an intangible asset and amortised over the expected life of the benefit at 33.33% per annum commencing when the asset is available for use within the business. Development costs are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use
- Management intends to complete the intangible asset and use or sell it
- There is an ability to use or sell the intangible asset
- It can be demonstrated how the intangible asset will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available
- The expenditure attributable to the intangible asset during its development can be reliably measured. Other development expenditures that do not meet these criteria are recognised as an expense as incurred

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

The economic success for development activities is uncertain and carrying amounts are reviewed at each statement of financial position date for impairment in accordance with IAS 36.

Development assets are valued at cost less accumulated amortisation and any impairment losses.

Fishing rights

Fishing rights are stated at cost less accumulated impairment where applicable. The rights are not amortised, but assessed annually for impairment.

Goodwill

Goodwill is stated at cost less accumulated impairment where applicable. Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary undertaking at the date of acquisition. Goodwill is reviewed for impairment at least annually or more frequently if events or changes in circumstances indicate a potential impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Software costs

Software costs are stated at cost less accumulated amortisation and impairment where applicable. Amortisation is calculated on a straight-line basis to write down the cost less estimated residual value over its useful life. The amortisation rates are between 20% and 50% per annum.

Patent costs

Patents are stated at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to write down the cost less estimated residual value over its useful life. The amortisation rate is 20%.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

1 Accounting policies *continued*

Other intangible assets

An intangible asset acquired in a business combination is recognised at fair value to the extent it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its cost can be measured reliably. Intangible assets principally relate to brand names and technology that were valued discounting estimated future net cash flow from the asset. The cost of intangible assets is amortised through the income statement on a straight-line basis over their estimated economic life. The rates generally applicable are:

Technology	12%–14%
Brand name	10%–33%
Customer relationships	7%–17%

Investment properties

Investment properties are recognised at cost, and then, subsequently cost less accumulated depreciation and (if applicable) any accumulated impairment losses. Assets are depreciated at the same rates as property, plant and equipment assets according to their assets class; freehold land is not depreciated.

In the Company accounts, land and buildings (and integral fixtures and fittings) not occupied by the Company are included within investment property.

Investments in subsidiaries

Investments in subsidiaries are held at cost less impairment. Cost includes directly attributable costs of investment.

Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income (FVOCI); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For investments in equity instruments that are not held for trading, the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when, and only when, its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of financial assets at amortised cost or FVOCI, transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

The Group subsequently measures its debt instruments at amortised cost. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in the income statement together with foreign exchange gains and losses. Impairment losses are included in either administrative expenses or finance costs in the income statement.

1 Accounting policies *continued*

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the income statement following the derecognition of the investment. Dividends from such investments continue to be recognised in the income statement as finance income when the Group's right to receive payments is established.

Impairment losses (and reversals of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

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 under the general IFRS 9 approach.

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. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales over a period of 12 months up to the end of the relevant financial year, and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, such as significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within "distribution costs". When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against "distribution costs" in the income statement.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads based on normal operating capacity. Raw materials include items that are both used in the production of finished goods and items used in the production of other raw material items.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses. A provision is made against the cost of slow-moving, obsolete and other stock lines based on the net realisable value.

Short-term financial assets

Short-term financial assets are defined as cash term deposits with banks with an original term of three months and over.

Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, on demand deposits and short-term deposits with banks with an original term less than three months.

Government grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the attached conditions and that the grants will be received. Grants intended to compensate specific operating costs are deferred and recognised in profit or loss over the periods in which the related costs are incurred, so as to match them with the expenses that they are intended to compensate. Grants received in respect of capital expenditure are initially recorded as deferred income. When the related expenditure is incurred, the grants are transferred to offset the carrying amount of the related property, plant and equipment or investment properties. The benefit of such grants is therefore recognised in profit or loss over the useful lives of the assets through reduced depreciation or amortisation charges.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

1 Accounting policies *continued*

Financial liabilities

Financial liabilities are initially recognised at fair value, net of transaction costs incurred and subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the financial liability using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Certain financial liabilities, including redemption liabilities arising from business combinations, are classified and measured at fair value through profit or loss. These liabilities are initially recognised at fair value, with transaction costs recognised immediately in profit or loss. Subsequently, they are measured at fair value at each reporting date, with changes recognised in profit or loss.

Financial liabilities are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Provisions

Provisions are recognised in the statement of financial position when a Group company 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. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the statement of financial position date.

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced to those affected by it. In accordance with the Group's published environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land is recognised when land is contaminated.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Warranty

The Group provides for expected warranty costs covering both specific known warranty claims and calculating expected future warranty claims in order to estimate the expected costs that will arise in respect of products sold within the remaining warranty periods. The expected future warranty claims provision is calculated by assessing historical data, industry failure rates and the Group's knowledge of products to determine the percentage of sales that should be provided for to cover future associated warranty costs.

1 Accounting policies *continued*

Critical accounting estimates and judgements

The presentation of the annual financial statements in accordance with UK adopted International Accounting Standards and the requirements of the Companies Act 2006 requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience, current situation and forward looking economic factors, including forecasts, that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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 and in any future periods affected. There are no critical accounting estimates and judgements however, some relevant estimates and judgements used in the financial statements are as follows:

Estimates	Impairment of Goodwill The Group tests goodwill for impairment annually and whenever indicators of impairment exist. The recoverable amount of the relevant cash-generating units ("CGUs") or groups of CGUs is determined using value-in-use calculations. The impairment assessment requires management to make estimates regarding future cash flows, including assumptions relating to revenue growth, profitability, long-term growth rates and discount rates. Changes in these assumptions may affect the recoverable amount determined. Further details of the assumptions applied in the impairment testing are provided in note 9.
	Retirement benefit obligations The Group recognises its obligations to employee retirement benefits. The quantification of these obligations is subject to significant estimates and assumptions regarding life expectancy, discount and inflation rates and the rate of increase in pension payments. In making these assumptions the Group takes advice from an independent qualified actuary about which assumptions best reflect the nature of the Group's obligations to employee retirement benefits. These assumptions are regularly reviewed by our actuaries Cartwright Benefit Consultants Limited to ensure their appropriateness. Note 22 contains details of the retirement benefit obligations.
Judgements	Retirement benefit obligations The Group recognises its obligations to employee retirement benefits. Where the fair value of the pension plan assets exceeds the present value of the defined benefit obligation the Group considers the amount that can be recognised as an asset within the statement of financial position in line with the requirements of IAS 19. A defined benefit surplus is only recognised if it meets the following criteria: if the Group has an unconditional right to a refund; or if the Group can realise it at some point during the life of the plan or when the plan liabilities are settled. As these criteria are not met the Group has decided not to recognise a net retirement benefit asset.

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, commodity price risk and security price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group may use derivative financial instruments to hedge certain risk exposures.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the euro, but also US dollar, Australian dollar and Arab Emirate dirham. Foreign exchange risk arises from future commercial transactions that give rise to monetary assets and liabilities other than the entity's functional currency, including bank account balances, term deposits, trade and other receivables, trade and other payables, financial liabilities denominated in currencies other than sterling, and net investments in foreign operations.

Management determines concentrations of foreign exchange risk by monitoring net exposures for each significant currency across all subsidiaries. Concentrations are identified based on the currency denomination of monetary assets and liabilities. At 30 June 2026, the Group's largest foreign currency exposure was to the euro, with a net exposure of £24,779,000. A 1% increase in the euro exchange rate would result in a gain of approximately £250,000, while a 1% decrease would result in a loss of approximately £245,000. Exposures to the US dollar, Australian dollar, and Arab Emirate dirham are aggregately less than 2.4% of total net foreign currency exposure and are not considered material. In aggregate, these exposures amounted to approximately £602,000 at 30 June 2026. The Group manages foreign currency risk through ongoing monitoring of foreign currency-denominated assets, liabilities and cash balances. The Group seeks to minimise unnecessary foreign currency exposures where practicable, whilst maintaining sufficient local currency balances to support the operational requirements of its overseas subsidiaries.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

1 Accounting policies *continued*

(ii) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as financial assets at fair value through other comprehensive income.

The Group has investments in UK listed securities of other entities and these are publicly traded on the London Stock Exchange. Concentrations of risk arise because the Group's investments are primarily in these UK-listed equities. Management determines concentrations of price risk by reviewing the composition of the investment portfolio, the fair value of individual securities, and the relative weight of each investment within the total portfolio. Management monitors these concentrations by reviewing the composition of the investment portfolio and the fair value of individual securities. At 30 June 2026, the total exposure to UK-listed securities was £4,047,000.

Other short-term investments, including term deposits, are not considered to give rise to significant price risk. A reasonably possible 10% increase or decrease in the market prices of the UK-listed equity investments would result in a corresponding increase or decrease in other comprehensive income of approximately £405,000 before tax. Exposures in other equity or marketable instruments are individually less than 1% of total exposure and are not considered material. In aggregate, these exposures amounted to approximately £22,000 at 30 June 2026.

(iii) Commodity price risk

The Group has an exposure to the risk of commodity price changes, in particular, metals. The Group seeks to minimise the risk by agreeing prices with major suppliers in advance.

Management monitors the commodity markets and mitigates this risk by agreeing prices with major suppliers in advance. Based on the current composition of purchases, there are no significant concentrations of commodity price risk.

(iv) Interest rate risk

The Group is exposed to interest rate risk primarily because it holds cash investments and short-term financial assets that are mostly interest-bearing. Interest rate risk arises from fluctuations in market interest rates, which can affect the Group's finance income.

Management monitors interest rate movements and manages the exposure by maintaining a diversified portfolio of cash and short-term deposits. Management determines concentrations of interest rate risk by monitoring balances by counterparty, currency, and maturity profile. Concentrations are identified based on the shared characteristic of deposits with the same counterparty, currency or geographic location. At 30 June 2026, the total carrying amount of cash and short-term deposits subject to interest rate risk was £25,568,000. At 30 June 2026, a reasonably possible 1% increase or decrease in interest rates would result in an increase or decrease in finance income of approximately £256,000 before tax. The majority of interest-bearing deposits are concentrated within the Company, with a smaller portion held with the Group's subsidiary. Deposits are denominated mainly in pounds sterling and euro. The Group has no exposure to increased interest costs other than pension scheme interest cost

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum Fitch rating of F1 are accepted. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management. The utilisation of credit limits is regularly monitored.

Financial instruments with low credit risk, such as cash and deposits with highly rated banks, are considered to have minimal risk of default. Trade receivables are monitored regularly for overdue amounts, and the Group assesses the likelihood of default based on historical payment patterns and other relevant information. The Group defines default and credit-impaired financial assets in line with internal policies and IFRS 9 guidance, and has a policy to write off financial assets when there is no reasonable expectation of recovery. Recoveries on written-off amounts, if any, are recognised in profit or loss.

Based on the Group's analysis, there are no significant concentrations of credit risk. No single customer represents a material portion of trade receivables, and all cash and short-term financial assets are held with banks.

The Group applies the expected credit loss (ECL) model in accordance with IFRS 9. For loans and other financial assets at amortised cost, loss allowances are measured under the general three-stage model. At the reporting date, all such exposures were assessed to be in Stage 1, with no significant increase in credit risk identified. Accordingly, the loss allowance was measured at an amount equal to 12-month expected credit losses.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, under which the loss allowance is always measured at an amount equal to lifetime expected credit losses.

During the year, there were no material movements in the loss allowance, and no transfers occurred between stages. The credit risk profile of financial assets remained stable. Accordingly, management has assessed that a detailed reconciliation of the loss allowance from opening to closing balance, as required by IFRS 7, is not necessary.

1 Accounting policies *continued*

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the ability to close out market positions. Management monitors rolling forecasts of the Group's liquidity reserve, which comprises cash and cash equivalents together with short-term financial assets, see note 17, on the basis of expected cash flow.

Capital risk management

The Group's policy has been to maintain a strong capital basis in order to maintain investor, customer, creditor and market confidence. This sustains future development of the business, safeguarding the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. From time to time the Group purchases its own shares in the market; the timing of these purchases is dependent on market prices, to ensure such transactions are sufficiently beneficial for the Company, its earnings per share and returns to investors. The Group continues to seek to maintain the balance of these returns, whilst strengthening the reserves and equity position of the Company, via continued profitability and structured growth.

The Group has a long-standing policy not to utilise debt within the business, providing a robust capital structure even within the toughest economic conditions. The Group's significant cash resources allow such a position, but also require close management to ensure that sufficient returns are being generated from these resources. The Group's policy with regard to the cash resources is to ensure they generate sufficient returns, whether by investment in business activities, such as plant and equipment, or assessing suitable opportunities to grow the business, or the physical investment of these funds to ensure appropriate returns to investors.

The Group is able to maintain its current capital structure because there are no externally imposed capital requirements, and there were no changes in the Group's approach to capital management during the year.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

Fair value estimation

(i) Financial instruments

Financial instruments that are measured at fair value are disclosed in the consolidated financial statements in accordance with the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices), or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques.

These valuation techniques maximise the use of observable market data where it is available 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. Fair value measurement of redemption liabilities arising from business combinations are classified as level 3 where unobservable inputs include projected EBITDA, growth and discount rates.

(ii) Other assets and liabilities

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Share capital

Ordinary shares are classified as equity.

When ordinary shares are issued to shareholders by the Company, the face value of the ordinary shares issued is credited to Issued share capital where the excess of the consideration paid by shareholders over the face value of the ordinary shares issued is credited to a share premium account.

Where any Group company purchases the Company's issued share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from the equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

When shares are cancelled, the related face value of the cancelled shares are deducted from the Company's issued share capital and credited to the Company's capital redemption reserve.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

1 Accounting policies *continued*

Share-based payments

Senior executives of the Group receive remuneration in the form of share-based payments through the executive share ownership plan and other employees through a "SAYE" scheme. The fair value of the shares or share options granted is recognised over the vesting period to reflect the value of the employee services received. The charge relating to grants to employees of the Company is recognised as an expense in the profit and loss account.

The fair value of options granted, excluding the impact of any non-market vesting conditions, is calculated using established option pricing models. The probability of meeting non-market vesting conditions, which include profitability targets, is used to estimate the number of share options that are likely to vest.

2 Segmental analysis

(a) Operating segments

The segmental analysis is presented on the same basis as that used for internal reporting purposes. For internal reporting FW Thorpe has eleven operations which are organised into four operating segments based on the products and customer base in the lighting market – the largest operating segment is Thorlux, which manufactures professional lighting systems for industrial, commercial and controls markets, and comprises the operations of FW Thorpe, SchahLED Lighting GmbH and Thorlux Lighting Limited in accordance with the Group's internal reporting. The operating segment of Netherlands companies, which manufactures external and impact resistance lighting and illuminated signs, include the operations of Lightronics B.V. and Famostar Emergency Lighting B.V.. The operating segment of Zemper Group, which manufactures illuminated signs, include operations of ElectroZemper S.A. and its subsidiaries.

The five remaining operations are included within the "other companies" operating segment, comprising the operations of Philip Payne Limited, Solite Europe Limited, Portland Lighting Limited, TRT Lighting Limited, and Thorlux Australasia Pty Limited, which manufacture illuminated signs, cleaning room lighting, lighting for signs and lighting for roads and tunnels, and distribution of professional lighting systems.

FW Thorpe's chief operating decision maker (CODM) is the Group Board. The Group Board reviews the Group's internal reporting in order to monitor and assess performance of the operating segments for the purpose of making decisions about resources to be allocated. Performance is evaluated based on a combination of revenue and operating profit. Assets and liabilities have not been segmented, which is consistent with the Group's internal reporting.

	Thorlux £'000	Netherlands companies £'000	Zemper Group £'000	Other companies £'000	Adjustments and eliminations £'000	Total continuing operations £'000
Year to 30 June 2026						
Revenue to external customers	95,385	34,175	22,686	20,701	–	172,947
Revenue to other Group companies	4,931	224	1,954	5,245	(12,354)	–
Total revenue	100,316	34,399	24,640	25,946	(12,354)	172,947
EBITDA	24,660	6,917	6,596	3,497	93	41,763
Depreciation and amortisation and impairment	5,075	1,042	2,519	1,328	–	9,964
Operating profit before acquisition adjustments	20,532	5,875	4,981	2,169	(525)	33,032
Operating profit	19,585	5,875	4,077	2,169	93	31,799
Net finance income						1,231
Share of loss of joint ventures						(608)
Profit before income tax						32,422

Acquisition adjustments include amortisation charge of intangible assets of £1.9m and gain on changes in fair value of redemption liability of £0.6m.

2 Segmental analysis *continued*

	Thorlux £'000	Netherlands companies £'000	Zemper Group £'000	Other companies £'000	Adjustments and eliminations £'000	Total continuing operations £'000
Year to 30 June 2025						
Revenue to external customers	101,011	34,348	21,372	18,490	–	175,221
Revenue to other Group companies	4,084	244	527	5,439	(10,294)	–
Total revenue	105,095	34,592	21,899	23,929	(10,294)	175,221
EBITDA	24,905	7,339	5,322	3,325	721	41,612
Depreciation and amortisation and impairment	4,687	1,036	2,524	1,308	–	9,555
Operating profit before acquisition adjustments	21,263	6,408	3,671	2,017	(456)	32,903
Operating profit	20,218	6,303	2,798	2,017	721	32,057
Net finance income						925
Share of loss of joint ventures						(1,360)
Profit before income tax						31,622

Acquisition adjustments include amortisation charge of intangible assets of £2.0m and gain on changes in fair value of redemption liability of £1.2m.

Adjustments and eliminations to operating profit consist of:

(i) intra-group eliminations on property rentals on premises owned by FW Thorpe Plc, adjustments to profit related to stocks held within the Group that were supplied by another segment, elimination of inter-segment impairments and elimination of profit on transfer of assets between Group companies.

(ii) Adjustments relating changes in fair value of redemption liability and share-based payment charges.

(b) Revenue by geographical market and product category

Revenue from external customers by geographical market and product category was as follows. The home country of the Company, which is also the principal operating company, is the UK.

2026 (£'000)	Light fittings	Services	Total
UK	86,796	6,989	93,785
Netherlands	32,901	24	32,925
Germany	9,221	1,063	10,284
Rest of Europe	30,640	323	30,963
Rest of the world	4,983	7	4,990
	164,541	8,406	172,947

2025 (£'000)	Light fittings	Services	Total
UK	90,306	6,381	96,687
Netherlands	32,418	68	32,486
Germany	11,647	1,517	13,164
Rest of Europe	28,481	205	28,686
Rest of the world	4,195	3	4,198
	167,047	8,174	175,221

There is no single customer who accounts for more than 10% of the Group revenue in either the current year or the prior year.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

3 Operating profit

Operating profit is arrived at after (crediting)/charging:

	2026 £'000	2025 £'000
Profit on disposals of property, plant and equipment	(135)	(191)
Loss on disposals of intangible assets	–	22
Depreciation of investment property (note 11)	45	46
Depreciation of property, plant and equipment		
– owned assets (note 8)	4,802	4,256
– right-of-use assets (notes 8 and 21)	872	873
Amortisation of intangible assets (note 9)	4,245	4,380
Changes in fair value of redemption liability in respect of acquisition of Zemper Group	125	240
Changes in fair value of redemption liability in respect of acquisition of Lumen Group	(743)	(1,417)
Cost of inventories recognised as an expense	52,088	54,542
Reversal of write-down of inventories, net*	(8)	(114)
Cost of research and development recognised as an expense	1,936	1,860
Research and development expenditure credit	(140)	(280)
Government grants	(311)	(275)
Currency (gain)/loss in income statement	(608)	208

* This amount is included within cost of inventories recognised as an expense

	2026 £'000	2025 £'000
Services provided by the Company's auditors		
Fees payable to the Company's auditors for audit of financial statements	455	359
Fees payable to the Company's auditors and their associates for other services		
– Audit of the Company's subsidiaries	100	188
	555	547

4 Employee information

The average monthly number of employees employed by the Group (including executive directors) during the year is analysed below:

	Group		Company	
	2026 Number	2025 Number	2026 Number	2025 Number
Average headcount				
Production	475	452	273	270
Sales and distribution	299	289	143	134
Administration	243	247	120	128
Total average headcount	1,017	988	536	532

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Employment costs of all employees (including executive directors)				
Wages and salaries	48,226	46,860	26,417	26,903
Social security costs	7,101	6,150	3,202	2,751
Other pension costs	2,314	2,018	1,445	1,166
	57,641	55,028	31,064	30,820

Included in wages and salaries are £1,730,000 (2025: £2,367,000) of temporary employees costs.

4 Employee information *continued*

Other pension costs include contributions to pension schemes and other employer's pension related charges comprising life assurance of £53,000 (2025: £158,000), pension administration and professional charges of £19,000 (2025: £6,000) and private pension schemes amounting to £7,000 (2025: £5,000).

Contributions to pension schemes administered independently of the FW Thorpe pension scheme amounted to £1,956,000 (2025: £1,841,000).

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Directors' emoluments				
Aggregate emoluments	1,666	1,687	1,618	1,646

For the year ended 30 June 2026 no retirement benefits were accruing to any director (2025: nil) under the defined benefit scheme nor under the defined contribution scheme. Compensation payments for the loss of pension contributions totalling £111,000 (2025: £107,000) were made to 2 (2025: 2) directors. Share-based payment remuneration totalled £nil (2025: £41,000) were made to nil (2025: 1) director.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Highest paid director				
Total of emoluments and amounts receivable	816	851	816	851

Compensation payments for the loss of pension contributions for the highest paid director were £75,000 (2025: £73,000). Share-based payment remuneration totalled £nil (2025: £41,000).

The key management personnel are the Group Board directors.

Further details are provided in the Directors' Remuneration Report on pages 82 to 85.

5 Net finance income

	2026 £'000	2025 £'000
Finance income		
Current assets		
Interest receivable	1,150	1,223
Non-current assets		
Dividend income on financial assets at fair value through other comprehensive income	179	276
Net rental income	64	88
Loan interest income	96	67
Total finance income	1,489	1,654
Finance expense		
Current liabilities		
Interest payable	11	18
Lease liability interest expense (note 21)	217	220
Non-controlling interest	(20)	409
Non-current liabilities		
Loan interest expense	2	5
Impairment on loans	48	77
Total finance expense	258	729
Net finance income	1,231	925

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

6 Income tax expense

Analysis of income tax expense in the year:

	2026 £'000	2025 £'000
Current tax		
Current tax on profits for the year	5,740	6,383
Adjustments in respect of prior years	(119)	(256)
Total current tax	5,621	6,127
Deferred tax		
Origination and reversal of temporary differences	(270)	83
Total deferred tax	(270)	83
Income tax expense	5,351	6,210

The tax assessed for the year is lower (2025: lower) than the standard rate of corporation tax in the UK of 25% (2025: 25%). The differences are explained below:

	2026 £'000	2025 £'000
Profit before income tax	32,422	31,622
Profit on ordinary activities multiplied by the standard rate in the UK of 25% (2025: 25%)	8,106	7,906
Effects of:		
Expenses not deductible for tax purposes	269	1,288
Accelerated tax allowances and other timing differences	18	(414)
Capital gain tax on foreign operations	34	–
Adjustments in respect of prior years	(119)	(256)
Patent box and other innovation tax reliefs	(2,905)	(2,251)
Foreign profit taxed at higher rate	(52)	(63)
Tax charge	5,351	6,210

The effective tax rate was 16.50% (2025: 19.64%). Adjustments in respect of prior years relate to refunds received for prudent assumptions on additional investment allowances and patent box relief in the tax calculations.

A standard rate of 25% (2025: 25%) is applicable to the Company during the current year. Deferred tax assets and liabilities have been calculated based on a rate at which they are expected to crystallise.

7 Earnings per share

Basic and diluted earnings per share for profit attributable to equity holders of the Company

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares.

Basic	2026	2025
Weighted average number of ordinary shares in issue	114,109,264	117,141,579
Profit attributable to equity holders of the Company (£'000)	27,071	25,412
Basic earnings per share (pence per share) total	23.72	21.69

Diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares, plus the number of shares earned for share options where performance conditions have been achieved.

Diluted	2026	2025
Weighted average number of ordinary shares in issue (diluted)	114,109,264	117,142,318
Profit attributable to equity holders of the Company (£'000)	27,071	25,412
Diluted earnings per share (pence per share) total	23.72	21.69

The effect of outstanding share options has been excluded in the calculation of diluted earnings per share as the options were anti-dilutive.

8 Property, plant and equipment

	Group				Company			
	Freehold land and buildings £'000	Plant and equipment £'000	Right-of-use assets £'000	Total £'000	Freehold land and buildings £'000	Plant and equipment £'000	Right-of-use assets £'000	Total £'000
Cost								
At 1 July 2025	27,970	45,193	6,469	79,632	7,396	27,653	78	35,127
Additions	392	5,166	632	6,190	370	3,540	–	3,910
Disposals	–	(3,872)	(333)	(4,205)	–	(4,172)	–	(4,172)
Currency translation	72	64	46	182	–	–	–	–
At 30 June 2026	28,434	46,551	6,814	81,799	7,766	27,021	78	34,865
Accumulated depreciation								
At 1 July 2025	7,600	29,409	3,272	40,281	3,121	18,729	26	21,876
Charge for the year	825	3,977	872	5,674	207	2,486	20	2,713
Disposals	–	(3,686)	(333)	(4,019)	–	(4,069)	–	(4,069)
Currency translation	11	40	25	76	–	–	–	–
At 30 June 2026	8,436	29,740	3,836	42,012	3,328	17,146	46	20,520
Net book amount								
At 30 June 2026	19,998	16,811	2,978	39,787	4,438	9,875	32	14,345

	Group				Company			
	Freehold land and buildings £'000	Plant and equipment £'000	Right-of-use assets £'000	Total £'000	Freehold land and buildings £'000	Plant and equipment £'000	Right-of-use assets £'000	Total £'000
Cost								
At 1 July 2024	27,760	40,816	6,055	74,631	7,331	25,037	31	32,399
Additions	86	5,515	599	6,200	65	3,591	47	3,703
Disposals	–	(1,261)	(245)	(1,506)	–	(975)	–	(975)
Currency translation	124	123	60	307	–	–	–	–
At 30 June 2025	27,970	45,193	6,469	79,632	7,396	27,653	78	35,127
Accumulated depreciation								
At 1 July 2024	6,766	26,929	2,613	36,308	2,927	17,544	12	20,483
Charge for the year	805	3,451	873	5,129	194	2,021	14	2,229
Disposals	–	(1,048)	(245)	(1,293)	–	(836)	–	(836)
Currency translation	29	77	31	137	–	–	–	–
At 30 June 2025	7,600	29,409	3,272	40,281	3,121	18,729	26	21,876
Net book amount								
At 30 June 2025	20,370	15,784	3,197	39,351	4,275	8,924	52	13,251

Freehold land which was not depreciated at 30 June 2026 amounted to £759,000 (2025: £755,000) (Group) and £500,000 (2025: £500,000) (Company).

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

9 Intangible assets

Group 2026	Goodwill £'000	Development costs £'000	Technology £'000	Brand name £'000	Customer relationship £'000	Software £'000	Patents £'000	Fishing rights £'000	Total £'000
Cost									
At 1 July 2025	46,348	14,251	2,883	5,145	15,018	4,014	156	182	87,997
Additions	–	2,870	–	–	–	318	–	–	3,188
Disposals	–	(638)	–	–	–	(304)	–	–	(942)
Currency translation	258	41	15	30	89	3	–	–	436
At 30 June 2026	46,606	16,524	2,898	5,175	15,107	4,031	156	182	90,679
Accumulated amortisation and impairment									
At 1 July 2025	–	8,044	2,859	3,537	4,922	3,422	156	–	22,940
Charge for the year	–	2,153	6	261	1,584	241	–	–	4,245
Disposals	–	(638)	–	–	–	(304)	–	–	(942)
Currency translation	–	31	15	18	16	1	–	–	81
At 30 June 2026	–	9,590	2,880	3,816	6,522	3,360	156	–	26,324
Net book amount									
At 30 June 2026	46,606	6,934	18	1,359	8,585	671	–	182	64,355

Group 2025	Goodwill £'000	Development costs £'000	Technology £'000	Brand name £'000	Customer relationship £'000	Software £'000	Patents £'000	Fishing rights £'000	Total £'000
Cost									
At 1 July 2024	45,902	13,954	2,857	5,094	14,864	3,853	178	182	86,884
Additions	–	2,627	–	–	–	155	–	–	2,782
Disposals	–	(2,431)	–	–	–	(2)	(22)	–	(2,455)
Currency translation	446	101	26	51	154	8	–	–	786
At 30 June 2025	46,348	14,251	2,883	5,145	15,018	4,014	156	182	87,997
Accumulated amortisation and impairment									
At 1 July 2024	–	8,296	2,757	3,081	3,326	3,164	156	–	20,780
Charge for the year	–	2,102	76	417	1,530	255	–	–	4,380
Disposals	–	(2,427)	–	–	–	(2)	–	–	(2,429)
Currency translation	–	73	26	39	66	5	–	–	209
At 30 June 2025	–	8,044	2,859	3,537	4,922	3,422	156	–	22,940
Net book amount									
At 30 June 2025	46,348	6,207	24	1,608	10,096	592	–	182	65,057

Write-offs relate to assets where no further economic benefits will be obtained. Development costs primarily consist of internally generated development costs. Amortisation of £4,245,000 (2025: £4,380,000) is included in the administrative expenses.

For development costs, the Group capitalises employee costs and directly attributable material costs necessary to design, construct and test new and improved product ranges and technology. These costs are only capitalised where they meet all the criteria set out in IAS 38.

Where development costs relate to products or technologies that are not expected to generate future economic benefits, do not meet the requirements of IAS 38 or relate to research, they are charged to the income statement.

The Group's material individual intangible asset comprises a customer relationship arising from the acquisition of ElectroZemper, with a carrying amount of £6,472,000 (2025: £7,061,000) and a remaining amortisation period of 10 (2025: 11) years.

9 Intangible assets *continued*

The carrying amount of goodwill arising on business combinations is as follows:

	2026 £'000	2025 £'000
Solite Europe Limited	285	285
Portland Lighting Limited	2,618	2,618
F.W. Thorpe Nederland B.V. ¹	6,706	6,666
Famostar Emergency Lighting B.V.	4,357	4,331
ElectroZemper S.A. ²	18,326	18,218
Lumen Intelligence Holding GmbH ³	14,314	14,230
Total	46,606	46,348

¹ Including its subsidiary Lightronics B.V.

² Including its subsidiaries Zemper France S.A.R.L and R.G.B. S.L.

³ Including its subsidiary SchahLED Lighting GmbH

The goodwill arising from acquisition of F.W. Thorpe Nederland B.V., Famostar Emergency Lighting B.V., Electrozemper S.A and Lumen Intelligence Holding GmbH is translated annually to the closing exchange rate, as they are denominated in Euros, with the movement recorded in exchange differences on translation of foreign operations in the Statement of Changes in Equity.

Intangible assets, other than goodwill and fishing rights, are tested for impairment if there are indications of impairment, for each relevant cash generating unit (CGU). Goodwill and fishing rights are not amortised and are tested for impairment annually. Management assessed whether any indicators of impairment existed in respect of intangible assets during the year and concluded that no such indicators were identified.

For the purpose of impairment review, goodwill is allocated to the individual CGU or group of CGUs that benefited from the relevant business combination. Goodwill arising from acquisition of FW Thorpe Nederland B.V. is allocated to a group of CGUs comprising FW Thorpe Nederland B.V. and Lightronics B.V.. Goodwill arising from acquisition of ElectroZemper S.A. is allocated to a group of CGUs comprising ElectroZemper S.A., Zemper France S.A.R.L and R.G.B. S.L.. Goodwill arising from acquisition of Lumen Intelligence Holding GmbH is allocated to a group of CGUs comprising FW Thorpe Plc, Thorlux Lighting Limited, Lumen Intelligence Holding GmbH and SchahLED Lighting GmbH. In the prior year, the goodwill arising from the acquisition of Lumen Intelligence Holding GMBH was incorrectly described as being allocated to the SchahLED Lighting GmbH CGU. This was an error, although there was no effect on either the results of the impairment review or the underlying Statement of Financial Position and Consolidated Income Statement.

For each CGU or group of CGUs, the value in use has been determined using cash flow projections covering a five-year period with a terminal value all discounted at rate of 12.0% (2025: 10.0%) adjusted for sector-specific and country-specific risks. The discount rate of 12.0% reflects the Group's pre-tax weighted average cost of capital.

The key assumptions used in the impairment assessments are forecast revenue growth, forecast cost growth, discount rates and terminal growth rates. Cash flows within the five-year projection period are based on recent performance together with management estimates of increases in revenue and costs. Cash flows beyond the projection period are extrapolated using a terminal growth rate of 2.0% (2025: 0.0%).

Management undertook sensitivities that considered reasonably possible changes in key assumptions and concluded that no reasonably possible change would result in the carrying amount of each CGU or group of CGUs exceeding its recoverable amount.

A downside test was also performed for each CGU and group of CGUs based on the assumption that the Group's pre-tax weighted average cost of capital increased by 10.0%. This indicated that each CGU or group of CGUs would continue to have significant headroom and that no impairment of goodwill would be required.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

9 Intangible assets *continued*

	Development costs £'000	Software £'000	Patents £'000	Fishing rights £'000	Total £'000
Company 2026					
Cost					
At 1 July 2025	3,718	3,279	150	182	7,329
Additions	1,396	169	–	–	1,565
Disposals	(638)	(300)	–	–	(938)
At 30 June 2026	4,476	3,148	150	182	7,956
Accumulated amortisation					
At 1 July 2025	1,001	2,973	150	–	4,124
Charge for the year	991	135	–	–	1,126
Disposals	(638)	(300)	–	–	(938)
At 30 June 2026	1,354	2,808	150	–	4,312
Net book amount					
At 30 June 2026	3,122	340	–	182	3,644

Disposals relate to development assets where no further economic benefits will be obtained.

	Development costs £'000	Software £'000	Patents £'000	Fishing rights £'000	Total £'000
Company 2025					
Cost					
At 1 July 2024	3,517	3,215	150	182	7,064
Additions	1,683	64	–	–	1,747
Disposals	(1,482)	–	–	–	(1,482)
At 30 June 2025	3,718	3,279	150	182	7,329
Accumulated amortisation					
At 1 July 2024	1,583	2,792	150	–	4,525
Charge for the year	900	181	–	–	1,081
Disposals	(1,482)	–	–	–	(1,482)
At 30 June 2025	1,001	2,973	150	–	4,124
Net book amount					
At 30 June 2025	2,717	306	–	182	3,205

10 Investments in subsidiaries

The cost of investments in subsidiaries is as follows:

	Company	
	2026 £'000	2025 £'000
At 1 July	20,486	20,486
Additions	37,616	–
Disposals	(237)	–
At 30 June	57,865	20,486

Additions of €43,843,000 (£37,616,000) have arisen from the capitalisation of loans to FW Thorpe Espana S.L.U. Disposals of €266,000 (£237,000) have arisen from the sale of Thorlux Lighting GmbH to SchahLED Lighting GmbH.

Investments in subsidiaries are carried at cost less any provision for impairment. In accordance with IAS 36, the Company assesses at each reporting date whether there are any indicators of impairment. At 30 June 2026, management determined that there were no indicators of impairment. As at 30 June 2026, no impairment provisions are held (2025: £nil).

Details of the Company's subsidiaries are included in note 33.

11 Investment properties

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Cost				
At 1 July	4,991	4,986	13,583	13,578
Additions	–	5	8	5
At 30 June	4,991	4,991	13,591	13,583
Accumulated depreciation				
At 1 July	629	583	2,534	2,284
Charge for the year	45	46	246	250
At 30 June	674	629	2,780	2,534
Net book amount				
At 30 June	4,317	4,362	10,811	11,049

The following amounts have been recognised in the income statement:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Rental income	183	205	532	562
Direct operating expenses arising from investment properties that generate rental income	(162)	(164)	(365)	(368)

The investment properties and land owned by the Group consist of properties held for investment purposes, a property with land and fishing rights by the River Wye, and lands designated for woodland in Monmouthshire and Herefordshire. The associated fishing rights for the property by the River Wye are included in intangible assets.

Investment properties of £2,940,000 (2025: £3,034,000) are freehold land and therefore not depreciated; the property element includes accumulated depreciation of £674,000 (2025: £629,000) which relates to the properties occupied by Mackwell Electronics Limited and Ratio EV Limited.

At 30 June 2026, independent external valuations have been carried out for the Group's investment properties with aggregate fair value of £7,380,000, which is higher than the aggregate carrying value of the Group's investment properties.

The fair values of investment properties have been determined by independent external valuers and has been classified as Level 3 within the fair value hierarchy. Valuations have been performed using market comparison and income capitalisation techniques, as appropriate for the nature of the underlying property. Significant inputs include comparable market transaction values, market rental values, yields and other property-specific factors such as size, location, condition and lease characteristics.

The Company's investment properties consist of land and buildings used by subsidiaries in their normal course of business. The Company receives rental income from the subsidiaries for the use of these premises and incurs amortisation costs.

With the exception of the woodland in Herefordshire that is under development, each investment property generates rental income.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

12 Financial assets at amortised cost

Financial assets at amortised cost include the following debt investments. The Group applied the expected credit risk model to calculate the impairment provision.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
At 1 July	1,788	3,623	49,165	54,144
Issued	48	649	7,389	1,519
Capitalised in investments in subsidiaries	–	–	(37,616)	–
Capitalised in equity accounted joint ventures	–	(2,393)	–	–
Repaid	–	–	(4,011)	(6,781)
Impairment	(48)	(77)	(48)	(127)
Exchange rate movement	2	(14)	139	410
At 30 June	1,790	1,788	15,018	49,165

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Analysis of total financial assets at amortised cost				
Non-current	114	188	–	–
Current	1,676	1,600	15,018	49,165
	1,790	1,788	15,018	49,165

Ratio EV Limited

The Group has issued loan notes of £1,600,000 (2025: £1,600,000) to Ratio EV Limited, a wholly owned subsidiary of Ratio Holding B.V., to help fund the development of its business. With accrued interest, the balance at 30 June 2026 is £1,694,000 (2025: £1,630,000), with accrued interest included in other receivables.

The debt investments have shown no significant increase in credit risk since the inception of the loans, and therefore the impairment provision is determined using 12 months expected credit losses. As at the date of these financial statements, no impairment was recorded.

Term deposits

The Group has two term deposits with a bank, placed in the prior year amounting to €220,000 (£190,000) (2025: €220,000 (£188,000)) at the end of year exchange rate. The term deposits are unsecured, interest-bearing at rates ranging from 3.0% to 3.7% (2025: 3.0% to 3.7%) and with maturity dates of less than 1 year and 2 to 5 years (2025: 2 to 5 years) as at 30 June 2026.

The debt investments have shown no significant increase in credit risk since the inception of the deposits, and therefore the impairment provision is determined using 12 months expected credit losses. As at the date of these financial statements, no impairment was recorded.

12 Financial assets at amortised cost *continued*

We assess the credit risk of our loan note receivables, based on the creditworthiness of the counterparty, history of repayment and security in place, and where required provisions are made.

The £7,389,000 (2025: £1,519,000) loans issued by the Company are £6,128,000 (2025: £8,000) issued to FW Thorpe Espana S.L.U., £1,213,000 (2025: £813,000) issued to FW Thorpe Nederland B.V., £nil (2025: £50,000) issued to Thorlux Lighting L.L.C., £nil (2025: £573,000) issued to Ratio EV Limited and £48,000 (2025: £75,000) to an independent third party distributor in France.

During the current year, the debt investment to FW Thorpe Espana S.L.U. of €48,843,000 (£37,616,000) was capitalised as equity investment in FW Thorpe Espana S.L.U.

As at 30 June 2026, the debt investments to FW Thorpe Espana S.L.U. of €36,000 (£31,000) (2025: €36,805,000 (£31,519,000)), FW Thorpe Nederland B.V. of €15,540,000 (£13,387,000) (2025: €18,737,000 (£16,046,000)) and Ratio EV Limited of £1,600,000 (2025: £1,600,000) have shown no significant increase in credit risk since the inception of the loans, and therefore the impairment provision is determined based on 12 months expected credit losses. As at the date of these financial statements, no provision was recorded.

The debt investment to Thorlux Lighting L.L.C. of £2,136,000 (2025: £2,136,000), which was fully impaired in prior years, has been written off in the current year as Thorlux Lighting L.L.C. was liquidated.

The debt investment to an independent third party distributor of £177,000 (2025: £128,000) is considered to be underperforming and therefore the impairment provision is determined based on lifetime expected credit losses. As at the date of these financial statements, the Company has made a provision of £177,000 (2025: £128,000) for this loan notes based on an expected credit loss of 100%.

As at 30 June 2026, the Group's and the Company's loan to independent third party distributor in France is unsecured, interest-free and repayable from one to three years (2025: repayable from one to three years). The Group's and the Company's loan to Ratio EV Limited is unsecured, interest-bearing at fixed-rate of 4% (2025: fixed-rate of 4%) per annum and is repayable on demand. The Company's loans to subsidiaries are unsecured, interest-bearing at rate of EURIBOR plus 0.79% (2025: EURIBOR plus 0.79%) per annum and repayable on demand (2025: repayable on demand).

13 Equity accounted joint ventures

The Group has a 50% interest in the share capital of Ratio Holding B.V., a company based in the Netherlands, for which the carrying value is €6,042,000 (£5,205,000) (2025: €6,741,000 (£5,773,000)). This value consists of investment totalling €9,581,000 (£8,254,000) (2025: €9,581,000 (£8,205,000)) and accumulated losses of €3,539,000 (£3,048,000) (2025: €2,840,000 (£2,432,000)). The increase in investment in the prior year arose from the Group capitalising the existing loans to Ratio Holding B.V. of €2,850,000 (£2,393,000) into equity. The Group has applied the equity accounting method to recognise this interest.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
At 1 July	5,773	4,671	–	–
Share of joint venture loss	(608)	(1,307)	–	–
Capitalisation of loans	–	2,393	–	–
Currency translation	40	16	–	–
At 30 June	5,205	5,773	–	–

In the year to 30 June 2026, the joint venture, Ratio Holdings B.V. generated a loss after tax of €1,398,000 (£1,216,000) (2025: €3,113,000 (£2,614,000)).

The Group has recognised its 50% share of loss of €699,000 (£608,000) (2025: €1,557,000 (£1,307,000)) in the income Statement.

No further analysis of the joint ventures has been provided as the activities are not considered material to the Group.

Details of the Group's joint ventures are included in note 33.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

14 Financial assets at fair value through other comprehensive income

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Beginning of year	3,510	3,757	3,489	3,737
Additions	200	250	200	250
Disposals	(617)	(706)	(617)	(706)
Revaluation	975	208	975	208
Currency translation	1	1	–	–
At 30 June	4,069	3,510	4,047	3,489

Financial assets at fair value through other comprehensive income comprise:

- Listed equity in the UK, and are denominated in UK pounds. At the date of the financial statements, the aggregate fair value for these investments is £4,047,000 (2025: £3,489,000);
- Unlisted equity in Spain held by Electrozemper S.A., denominated in euros. At the date of the financial statements, the aggregate fair value for these investments is £22,000 (2025: £21,000); and
- The Group invested €1,200,000 for 40% of the share capital of Luxintec S.L., a company based in Spain, in 2016. This is classified as financial assets at fair value through other comprehensive income as the Group is not able to assert influence over the management of this investment. At the date of the financial statements, the balance for this investment is £nil (2025: £nil).

15 Inventories

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Raw materials	18,553	18,701	6,313	7,205
Work in progress	4,136	4,137	2,798	2,799
Finished goods	6,833	6,872	3,617	3,741
	29,522	29,710	12,728	13,745

The value of the inventory provision is £5,761,000 (2025: £5,952,000) for the Group and £3,616,000 (2025: £3,635,000) for the Company.

During the year, write-downs of inventories to net realisable value amounted to £458,000 (2025: £302,000) for the Group and £233,000 (2025: £70,000) for the Company. These were recognised as an expense and included in cost of goods sold in the income statement.

During the year, previous inventories write-downs of £450,000 (2025: £416,000) for the Group and £160,000 (2025: £nil) for the Company were reversed, subsequent to the Group re-purposing the raw materials for use in new products. The amount reversed has been included in cost of goods sold in the income statement.

The cost of inventories sold recognised as an expense is disclosed in note 3.

16 Trade and other receivables

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Current				
Trade receivables	30,770	29,159	15,082	13,243
Other receivables	3,722	4,303	3,277	2,850
Prepayments and accrued income	2,447	2,706	1,377	1,604
Amounts owed by subsidiaries	–	–	7,653	7,592
Total	36,939	36,168	27,389	25,289

Amounts owed by subsidiaries are unsecured, interest free and have no fixed term of repayment, except for balances arising from the Company's intra-group overdraft facility. The Company manages funds centrally for its subsidiaries in the UK and it offers overdraft facility to these subsidiaries. At 30 June 2026, an amount of £nil (2025: £413,000) owed by a subsidiary arising from this overdraft facility is interest bearing at interest rate line with the Company's deposit facilities provided by banks.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Trade receivables past due date not provided	2,571	1,986	1,394	212

A significant proportion of the amounts past due date were settled shortly after the end of the financial year, and taken together with the credit insurance policy and good credit history, the directors consider that the existing expected credit loss provision remains appropriate and that no additional expected credit loss provision is required in respect of these balances.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. A significant proportion of the trade receivables are insured. The expected credit loss provision includes specific provisions for individually identified credit-impaired receivables and is determined after taking into account the extent to which trade receivables are covered by the Group's credit insurance policy. A significant proportion of the trade receivables are insured.

The policy covers 90% of the debt in the event of a claim for default, where the customer is in severe financial difficulty. No bad debt provision is made in respect of trade receivables from Government departments or agencies. At 30 June 2026 the bad debt provision for the Group amounted to £645,000 (2025: £682,000) and for the Company £482,000 (2025: £503,000).

No provision is held against trade receivables that are not yet due, due to the good credit history and expected financial performance of customers, and the overall exposure is considered low due to levels of credit insurance in place. Credit limits are reviewed at least every six months to assess and amend, where appropriate, the credit limit offered to customers.

Included in the Company's amounts owed by subsidiaries are provision for expected credit losses for Thorlux Australasia PTY Limited of £1,901,000 (2025: £1,911,000), based on an expected credit loss of 100%. Amount owned by Thorlux Lighting L.L.C. of £616,000, based on a 100% expected credit loss provision, was written off as Thorlux Lighting L.L.C. was liquidated in the current year.

During the year the following amounts were written off (excluding amounts owed by subsidiaries):

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Bad debts written off	30	80	13	–
Bad debts recovered	(20)	(1)	(4)	–
Net bad debt expense	10	79	9	–

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

16 Trade and other receivables *continued*

At 30 June 2026, trade receivables were due to the Group and Company in the following currency denominations:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Due in £ sterling	18,063	16,047	15,069	12,892
Due in € euro	12,020	12,862	13	351
Due in AUD Australian dollars	687	250	–	–
	30,770	29,159	15,082	13,243

The other assets within trade and other receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

17 Short-term financial assets

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
At 1 July	18,805	18,965	15,380	16,418
Net withdrawals	(10,588)	(203)	(7,113)	(1,038)
Currency translation	50	43	–	–
At 30 June	8,267	18,805	8,267	15,380

The short-term financial assets consist of term cash deposits with an original term in excess of three months.

The banks where the deposits are held have a minimum rating of "A" by Fitch, with a specific rating of "F1" for short-term funds.

18 Cash and cash equivalents

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Cash at bank and in hand	47,176	42,983	30,185	34,202

The banks where the funds are held have a minimum rating of "A" by Fitch, with a specific rating of "F1" for short-term funds.

19 Trade and other payables

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Current liabilities				
Trade payables	11,986	14,020	6,181	8,030
Contract liabilities	1,905	1,760	1,744	1,730
Other payables	897	6,648	714	210
Social security and other taxes	4,446	4,012	2,085	1,420
Deferred government grants	756	896	676	761
Accruals	9,870	11,911	5,814	8,046
Amounts owed to subsidiaries	–	–	4,611	5,571
Total	29,860	39,247	21,825	25,768

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Non-current liabilities				
Other payables	3,273	4,018	–	–
Total	3,273	4,018	–	–

Amounts owed to subsidiaries, except for subsidiaries' cash balances managed by the Company, are unsecured, interest free and have no fixed date of repayment. Aggregate amount of £3,000,000 (2025: £2,838,000) owed in relation to subsidiaries' cash balances deposited with the Company generate interest in line with the Group's deposit facilities with banks.

Included within other payables of the Group are commitments to purchase the remaining outstanding shares in Electrozemper S.A. of €nil (£nil) (2025: €6,286,000 (£5,383,000)) and Lumen Intelligence Holding GmbH of €3,784,000 (£3,260,000) (2025: €4,638,000 (£3,972,000)). Of these amounts €nil (£nil) (2025: €6,286,000 (£5,383,000)) is included in current liabilities and €3,784,000 (£3,259,000) (2025: €4,638,000 (£3,972,000)) in non-current liabilities.

Non-current liabilities also includes £14,000 (2025: £46,000) post employment benefits at Thorlux Australasia Pty Limited.

Contract liabilities and deferred income mainly relate to advance payments for maintenance services. Revenue is recognised on a straight-line basis over the term of the service, as management considers that the passage of time faithfully depicts the transfer of services to the customer.

Revenue of £1,691,000 (2025: £2,484,000) for the Group and £1,660,000 (2025: £2,143,000) for the Company were recognised during the year that was included in contract liabilities and deferred income balances at the beginning of the year.

At 30 June 2026, the Group and the Company have contract liabilities of £1,905,000 (2025: £1,760,000) and £1,744,000 (2025: £1,730,000), respectively, which primarily relate to advance service payments received from customers.

As at 30 June 2026, management expects that approximately 98% (2025: 96%) of the Group's and 98% (2025: 96%) of the Company's contract liabilities outstanding at the reporting date will be recognised as revenue within the next 12 months, with the remainder recognised thereafter.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

20 Financial liabilities

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Financial liabilities				
At 1 July	1,244	2,462	–	–
Repayment in year	(400)	(1,219)	–	–
Currency translation	9	1	–	–
At 30 June	853	1,244	–	–

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Analysis of financial liabilities				
Current financial liabilities (values due < 12 months)	262	415	–	–
Non-current financial liabilities (values due > 12 months)	591	829	–	–
Total	853	1,244	–	–

Included in non-current financial liabilities were amounts of £504,000 (2025: £656,000) due more than one year but less than five years and £87,000 (2025: £173,000) due more than five years.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Financial liabilities by category				
Bank loans	130	347	–	–
Other loans	19	21	–	–
Government loans	704	876	–	–
Total	853	1,244	–	–

As at the date of these financial statements, the bank loans included €nil (£nil) (2025: €179,000 (£153,000)) issued to support Zemper France S.A.R.L. through the COVID-19 pandemic, and are guaranteed by the Government in France. There is also a bank loan for the property occupied by Zemper France S.A.R.L., the outstanding amount was €151,000 (£130,000) (2025: €226,000 (£194,000)). The Government loans were issued to facilitate investment, including research and development projects.

21 Leases

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Lease liabilities				
At 1 July	3,908	4,163	52	19
Lease additions	632	599	–	47
Lease re-measurements	57	5	–	–
Interest expense	217	220	2	2
Lease payments	(1,233)	(1,110)	(21)	(16)
Currency translation	30	31	–	–
Total	3,611	3,908	33	52

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Analysis of lease liabilities				
Current liabilities	945	910	16	19
Non-current liabilities	2,666	2,998	17	33
Total	3,611	3,908	33	52

The Group and the Company entered into operating leasing agreements for the leasing of manufacturing premises, offices, plant and equipment and motor vehicles that give rise to lease liabilities. There are no contractual options to either extend or terminate early lease agreements.

21 Lease liabilities *continued*

Maturity analysis

The maturity analysis of undiscounted lease payments including interest due over the remaining lease term for these liabilities is as follows:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Within one year	1,121	1,097	17	22
More than one but less than five years	2,609	2,683	17	35
More than five years	366	722	–	–
Total undiscounted lease payments	4,096	4,502	34	57
Less: Finance charges	(485)	(594)	(1)	(5)
Total Lease liabilities	3,611	3,908	33	52

The total cash paid on these leases during the year was £1,233,000 (2025: £1,110,000) for the Group and £21,000 (2025: £16,000) for the Company.

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Expense relating to short-term leases	354	534	107	143
Expense relating to low-value leases	21	15	–	–

During the year, interest on lease liabilities of £217,000 (2025: £220,000) (note 5) was charged to the consolidated income statement.

A movements of carrying amount of right-of-use assets are as follows:

	Group				Company		
	Property £'000	Plant and equipment £'000	Motor vehicles £'000	Total £'000	Motor vehicles £'000	Plant and equipment £'000	Total £'000
At 30 June 2024	2,757	52	633	3,442	19	–	19
Additions	152	38	409	599	29	18	47
Depreciation charge for the year	(537)	(18)	(318)	(873)	(13)	(1)	(14)
Currency translation	21	–	8	29	–	–	–
At 30 June 2025	2,393	72	732	3,197	35	17	52
Additions	179	12	441	632	–	–	–
Depreciation charge for the year	(478)	(26)	(368)	(872)	(15)	(5)	(20)
Currency translation	16	1	4	21	–	–	–
At 30 June 2026	2,110	59	809	2,978	20	12	32

Additions comprise increases to right-of-use assets as a result of entering into new leases.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

22 Pension scheme

The Group operates a defined benefit pension scheme, which provides benefits to members. The scheme is approved by HM Revenue and Customs under Chapter 1 Part XIV of the Income and Corporation Taxes Act 1988. Membership is contracted in to the second state pension.

The Group is exposed to a number of risks in providing these benefits. The most significant of which are arising from changes in discount rate, inflation rate, pension increases and life expectancy. The sensitivity analysis on page 133 provides some information on the effect of changes in these assumptions.

Responsibility for governance of the scheme, including investment decisions and contributions schedules lies jointly with the Group and the board of trustees. The board of trustees is composed of representatives of the Group and scheme participants in accordance with the scheme's regulations.

The underpin was removed during the year with benefits now provided on a defined benefit basis only, resulting in a past service cost of £71,000. The scheme was closed to future accrual from 30 June 2026 with £153,000 of the past service cost due to this closure.

The assets of the scheme are held separately from the assets of the Group, being invested in Managed Funds. Contributions by the Group to the scheme during the year ended 30 June 2026 amounted to £258,000 (2025: £242,000). Contributions are determined by an independent qualified actuary on the basis of triennial valuations using the Project Unit Method.

The date of the most recent actuarial valuation was 30 June 2024, and at that date the value of the fund was £22,084,000. This was sufficient to cover 112% of the value of the benefits accrued to members after allowing for future increases in earnings. In arriving at the actuarial valuation, the following assumptions were adopted:

Price inflation	3.50%
Salary increases	5.15%
Discount rate	4.30%
Revaluation for deferred pensioners	2.50% to 2030, 3.40% thereafter

The figures at 30 June 2024 have been updated as at the Statement of Financial Position dates in order to assess the additional disclosures required under IAS 19 as at 30 June 2026 by an independent qualified actuary using the following major assumptions:

	2026	2025	2024	2023	2022
Price inflation	3.00%	3.00%	3.40%	3.40%	3.50%
Salary increases	n/a	3.00%	3.40%	3.40%	3.50%
Discount rate	5.90%	5.50%	5.10%	5.20%	3.80%
Revaluation for deferred pensioners	2.70%	2.60%	2.90%	2.80%	2.80%
Pension increases in payment of 5% p.a. or RPI if less	2.90%	2.90%	3.20%	3.20%	3.30%
Pension increases in payment of 2.5% p.a. or RPI if less	2.00%	2.00%	2.20%	2.20%	2.20%
Life expectancy at age 65 – men	22.0 years	21.5 years	21.5 years	22.9 years	23.4 years
Life expectancy at age 65 in 20 years – men	23.3 years	22.8 years	22.7 years	24.1 years	24.6 years
Life expectancy at age 65 – women	24.1 years	23.8 years	23.7 years	24.4 years	24.8 years
Life expectancy at age 65 in 20 years – women	25.2 years	24.9 years	24.9 years	25.5 years	25.9 years

The Statement of Financial Position figures required under IAS 19 are as follows:

	30 June 2026		30 June 2025		30 June 2024		30 June 2023		30 June 2022	
	Expected long-term rate of return %	Value £'000	Expected long-term rate of return %	Value £'000	Expected long-term rate of return %	Value £'000	Expected long-term rate of return %	Value £'000	Expected long-term rate of return %	Value £'000
Equities	n/a	–	5.50%	908	5.10%	11,257	5.20%	11,270	3.80%	12,150
Bonds	5.90%	20,451	5.50%	19,559	5.10%	19,313	5.20%	18,389	3.80%	21,643
Other	5.90%	235	5.50%	351	5.10%	1,891	5.20%	1,542	3.80%	2,659
Total market value of assets		20,686		20,818		32,461		31,201		36,452
Present value of scheme liabilities		(16,469)		(16,753)		(28,073)		(28,026)		(33,100)
Surplus in the scheme		4,217		4,065		4,388		3,175		3,352

All assets are held in pooled investment vehicles with the exception of the cash balance of £90,000 (2025: £99,000) in the trustees bank account. The pooled investment vehicles are unquoted with the underlying assets being quoted.

22 Pension scheme *continued*

Amounts recognised in the statement of financial position

The amounts recognised in the Statement of Financial Position are determined as follows:

	2026 £'000	2025 £'000
Present value of funded obligations	(16,469)	(16,753)
Fair value of plan assets	20,686	20,818
Surplus in the scheme	4,217	4,065
Less restriction of surplus recognised in the statement of financial position	(4,217)	(4,065)
Asset recognised in the statement of financial position	–	–

The Company has no unconditional right to a refund or reduction in contributions as the trustees have the discretion to use any surplus to augment the benefits of the defined benefit members and currently have no power to return a surplus to the Company. Subsequently the surplus in the scheme is treated as the asset ceiling and not recognised in the Statement of Financial Position, calculated in accordance with the accounting policy estimates and judgements section in note 1.

Movement in defined benefit obligation

The movement in the defined benefit obligation over the year is as follows:

	2026 £'000	2025 £'000
At 1 July	(16,753)	(28,073)
Current service cost	(63)	(64)
Past service cost	(224)	–
Interest cost	(894)	(960)
Contributions by plan participants	(18)	(17)
Actuarial gain	406	571
Benefits paid	1,077	1,423
Transfer out of defined contribution assets	–	10,367
At 30 June	(16,469)	(16,753)

The weighted average duration of the defined benefit obligation is approximately 11 years (2025: 11 years).

Movement in the fair value of the plan assets

The movement in the fair value of the plan assets of the year is as follows:

	2026 £'000	2025 £'000
At 1 July	20,818	32,461
Expected return in plan assets	1,123	1,188
Actuarial loss	(454)	(1,300)
Employer contributions	258	242
Employee contributions	18	17
Benefits paid	(1,077)	(1,423)
Transfer out of defined contribution assets	–	(10,367)
At 30 June	20,686	20,818

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

22 Pension scheme *continued*

Asset ceiling reconciliation

The pension scheme has a surplus that is not recognised, on the basis that future economic benefits are not available to the entity in the form of a reduction in future contributions or a cash refund. The table below shows the movement in the asset ceiling as a consequence of this.

	2026 £'000	2025 £'000
Opening balance	(4,065)	(4,388)
Changes in asset ceiling – re-measurement	(152)	323
Closing balance	(4,217)	(4,065)

Amounts recognised in income statement

The amounts recognised in the Income Statement are as follows:

	2026 £'000	2025 £'000
Current service cost	63	64
Past service cost	224	–
Total expense	287	64

Actuarial gain/(loss) recognised in statement of comprehensive income for the year

	2026 £'000	2025 £'000
Experience gains/(losses) arising on the scheme liabilities	7	(368)
Changes in assumptions underlying the present value of the scheme liabilities	399	939
Actuarial gain recognised in the defined benefit obligation	406	571
Actual return less expected return on pension scheme assets	(454)	(1,300)
Net interest income	229	228
Actuarial gain/(loss) recognised in the Statement of Comprehensive Income for the year	181	(501)
Movement on unrecognised pension scheme surplus	(152)	323
Total actuarial gain/(loss) recognised in the Statement of Comprehensive Income	29	(178)

There is no deferred tax on the movement on the actuarial gain/(loss) recognised in the Statement of Comprehensive Income.

	2026 £'000	2025 £'000
Cumulative actuarial loss recognised in the Statement of Comprehensive Income at 1 July	(3,462)	(2,961)
Actuarial gain/(loss) recognised in the Statement of Comprehensive Income for the year	181	(501)
Cumulative actuarial loss recognised in the Statement of Comprehensive Income at 30 June	(3,281)	(3,462)

The restriction in the scheme surplus is excluded from the cumulative actuarial gain recognised in the Statement of Comprehensive Income. As a result of the most recent valuation, and in light of the non-recognition of the pension scheme surplus, the recovery plan liability is £nil (2025: £nil).

The expected return on plan assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Statement of Financial Position date.

The actual return on plan assets over the year ended 30 June 2026 was a gain of £669,000 (2025: loss of £112,000) or 3.2% (2025: 0.3%). The scheme is now closed to future accruals therefore the Group will pay £nil contributions (2025: £85,000) into the pension scheme during the forthcoming year.

22 Pension scheme *continued*

History of experience gains and losses recognised in the statement of comprehensive income

	2026		2025		2024		2023		2022	
	£'000	%	£'000	%	£'000	%	£'000	%	£'000	%
Difference between the expected and actual return on scheme assets	(454)		(1,300)		885		(3,890)		(5,392)	
Percentage of scheme assets		(2%)		(6%)		3%		(11%)		(13%)
Experience gain/(loss) on scheme liabilities	7		(368)		(509)		293		348	
Percentage of the present value of scheme liabilities		0%		2%		2%		0%		0%
Changes in assumptions underlying the present value of the scheme liabilities	399		939		389		3,474		5,955	
Percentage of the present value of scheme liabilities		2%		(6%)		(1%)		(10%)		(15%)
Movement in recovery plan liability	–		–		–		–		–	
Percentage of the present value of scheme liabilities		0%		0%		0%		0%		0%
Net interest income	229		228		172		132		42	
Percentage of the present value of scheme liabilities		1%		1%		1%		0%		0%
Amount which has been recognised in the SOCI	181		(501)		937		(123)		953	
Percentage of the present value of scheme liabilities		1%		(3%)		3%		(0%)		2%

Experience losses and gains values are driven by changes in financial assumptions.

Sensitivity analysis

The impact on the defined benefit obligation of changes in the significant assumptions is shown approximately below:

Assumption varied	Defined benefit obligation 2026 £m	Defined benefit obligation 2025 £m
As at 30 June	16.5	16.8
Discount rate 0.5% p.a. higher	15.6	15.9
Inflation rate 0.5% p.a. higher	16.9	17.2
Increase in salaries 0.5% p.a. higher	n/a	16.8
Pension increase (in payment and in deferment) 0.5% p.a. higher	16.9	17.2
Life expectancy one year longer	17.0	17.3

The figures assume that each assumptions listed on page 130 is changed independently of the others. Therefore, the disclosures are only a guide because the effect of changing more than one assumption is not cumulative. There has been no change in the methodology in the year.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

23 Provisions for liabilities and charges

Provisions for liabilities and charges comprise warranty provision only and an analysis of its movements are as follows:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
At 1 July	3,310	3,325	1,443	1,439
Additions	1,094	746	476	307
Utilisation	(790)	(586)	(455)	(303)
Surplus released	(523)	(186)	(384)	–
Currency translation	9	11	–	–
At 30 June	3,100	3,310	1,080	1,443

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Analysis of total provisions				
Non-current	3,100	3,310	1,080	1,443
Total	3,100	3,310	1,080	1,443

The usual warranty period provided by Group companies is between 5 and 10 years, dependent on market requirements, and the provision for warranty is based on expected claims over the remaining warranty period.

24 Deferred income tax

Deferred income tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The net movement on the deferred income tax and the offset amounts are as follows:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
At 1 July	(5,140)	(5,088)	(1,994)	(1,452)
Income statement credited/(charged)	270	(83)	(242)	(592)
Tax (charged)/credited directly to equity	(121)	50	(121)	50
Currency translation	(20)	(19)	–	–
At 30 June	(5,011)	(5,140)	(2,357)	(1,994)
Of which:				
Deferred tax assets	376	437	–	–
Deferred tax liabilities	(5,387)	(5,577)	(2,357)	(1,994)
Net deferred tax liabilities	(5,011)	(5,140)	(2,357)	(1,994)

24 Deferred income tax *continued*

The movement in Group deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Other timing differences £'000	Total £'000
Deferred tax assets		
At 1 July 2024	347	347
Credited to the income statement	84	84
Currency translation	6	6
At 30 June 2025	437	437
Charged to the income statement	(63)	(63)
Currency translation	2	2
At 30 June 2026	376	376

	Accelerated tax depreciation £'000	Research and development £'000	Fair value adjustment on acquisitions of subsidiaries £'000	Other temporary differences £'000	Total £'000
Deferred tax liabilities					
At 1 July 2024	1,042	714	3,482	197	5,435
Charged/(credited) to the income statement	518	233	(504)	(80)	167
Credited directly to equity	–	–	–	(50)	(50)
Currency translation	1	–	26	(2)	25
At 30 June 2025	1,561	947	3,004	65	5,577
Charged/(credited) to the income statement	211	(82)	(484)	22	(333)
Charged directly to equity	–	–	–	121	121
Currency translation	1	–	21	–	22
At 30 June 2026	1,773	865	2,541	208	5,387

The movement in the Company deferred income tax liabilities during the year is as follows:

	Accelerated tax depreciation £'000	Research and development £'000	Fair value and other temporary differences £'000	Total £'000
Deferred tax liabilities				
At 1 July 2024	731	484	237	1,452
Charged/(credited) to the income statement	409	196	(13)	592
Credited directly to equity	–	–	(50)	(50)
At 30 June 2025	1,140	680	174	1,994
Charged/(credited) to the income statement	256	(14)	–	242
Charged directly to equity	–	–	121	121
At 30 June 2026	1,396	666	295	2,357

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

24 Deferred income tax *continued*

The deferred income tax (debited)/credited to equity during the year is as follows:

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Deferred tax (debited)/credited to equity				
Tax on revaluation of financial assets at fair value through other comprehensive income	(244)	(52)	(244)	(52)
Tax released on disposal of financial assets at fair value through other comprehensive income	123	102	123	102
	(121)	50	(121)	50

The deferred tax assets and liabilities of the Group and the Company are expected to be recovered or settled more than 12 months after the date of statement of financial position. There is no deferred tax on the movement on the actuarial gain/(loss) recognised in the Statement of Comprehensive Income.

25 Issued share capital

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Authorised, allotted and fully paid				
118,935,590 ordinary shares of 1p each (2025: 118,935,590 ordinary shares of 1p each)	1,189	1,189	1,189	1,189

The ordinary shareholders each have one vote per share.

	Group and Company		Group and Company	
	2026 £'000	2025 £'000	2026 No. of shares	2025 No. of shares
Movements in treasury shares included in issued share capital				
At 1 July	27	16	2,673,682	1,644,004
Repurchase of shares	42	11	4,200,000	1,080,000
Shares issued from treasury	–	–	–	(50,322)
At 30 June	69	27	6,873,682	2,673,682

There were no new shares issued during the year (2025: nil). There were no shares issued from treasury for the exercise of share options (2025: 50,322), and the Company repurchased 4,200,000 (2025: 1,080,000) shares with an aggregate amount of £11,775,000 (2025: £3,135,000). There are 2,613,008 (2025: 2,657,441) share options outstanding at the year end, of which no share options (2025: no share options) were in the process of being exercised at 30 June 2026.

26 Other reserves

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Share premium account	3,113	3,113	3,113	3,113
Capital redemption reserve	137	137	137	137
Foreign currency translation reserve	2,490	2,412	–	–
	5,740	5,662	3,250	3,250

27 Dividends

Dividends paid during the year are outlined in the tables below:

Dividends paid (pence per share)	2026	2025
Final dividend	5.36	5.08
Special dividend	2.60	2.50
Interim dividend	1.81	1.76
Total	9.77	9.34

A final dividend in respect of the year ended 30 June 2026 of 5.53p (2025: 5.36p) per share, amounting to £6,197,000 (2025: £6,149,000) is to be proposed at the Annual General Meeting on 26 November 2026 and, if approved, will be paid on 4 December 2026 to shareholders on the register on 6 November 2026. The ex-dividend date is 5 November 2026. These financial statements do not reflect this dividend payable.

Dividends proposed (pence per share)	2026	2025
Final dividend	5.53	5.36
Total	5.53	5.36

	2026 £'000	2025 £'000
Dividends paid		
Final dividend	6,149	5,961
Special dividend	2,942	2,934
Interim dividend	2,048	2,063
Total	11,139	10,958

	2026 £'000	2025 £'000
Dividends proposed		
Final dividend	6,197	6,149
Total	6,197	6,149

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

28 Share-based payment charge

Equity settled scheme

The Group operates share-based remuneration schemes, created to motivate and retain those employees responsible for the continued success of the Group.

The Executive Share Ownership Plan established in 2024 (the “ESOP 2024 Scheme”) allows for the vesting of options subject to achievement of performance targets, being annual growth of pre-tax Earnings per Share in excess of CPI plus 2% each year, be ranked above the median of the comparator group for total shareholder return and made appropriate progress towards the Group’s carbon reduction target, based on the position at 30 June 2023. The options vest in stages up to a maximum of five years.

The Save As You Earn Scheme established in 2024 (the “SAYE 2024 Scheme”) was granted on 27 November 2024 after approval at a General Meeting held on 18 April 2024. This scheme matures in November 2029.

The Company will utilise shares that are already held in treasury to satisfy the exercise of share options.

Under IFRS 2, an expense is recognised in the income statement for share-based payments, calculated on the fair value at the grant date. The application of IFRS 2 gave rise to a charge of £627,000 (2025: £720,000) for the year.

(a) Details of changes in the number of awards outstanding during the year are set out below:

	ESOP 2014 Scheme		ESOP 2024 Scheme		SAYE 2024 Scheme		Total
	Options	Exercise price (p/s)	Options	Exercise price range (p/s)	Options	Exercise price (p/s)	Options
Outstanding at 1 July 2024	20,000	124	1,925,000	337.5-375	–	–	1,945,000
Granted during the year	–	–	–	–	799,871	274	799,871
Forfeited during the year	–	–	(50,000)	337.5-375	(17,430)	274	(67,430)
Exercised during the year	(20,000)	124	–	–	–	–	(20,000)
Outstanding at 30 June 2025	–	–	1,875,000	337.5-375	782,441	274	2,657,441
Granted during the year	–	–	–	–	–	–	–
Forfeited during the year	–	–	–	–	(44,433)	274	(44,433)
Exercised during the year	–	–	–	–	–	–	–
Outstanding at 30 June 2026	–	–	1,875,000	337.5-375	738,008	274	2,613,008

The weighted average contractual life of the share-based payments outstanding at the end of the year is 7.9 (2025: 8.9) years for the ESOP 2024 Scheme and 8.4 (2025: 9.4) years for the SAYE 2024 Scheme. The weighted average share price for shares exercised during the year ended 30 June 2025 was 330 pence. There were no share options exercised in the year ending 30 June 2026.

At 30 June 2026, there were 477,120 options exercisable (2025: 238,560) under the ESOP 2024 scheme and the weighted average exercise price is 337.5 pence (2025: 337.5 pence) per share. At 30 June 2026, the weighted average exercise prices of outstanding share options under ESOP 2024 Scheme and SAYE 2024 Scheme were 345.2 pence (2025: 345.2 pence) per share and 274 pence (2025: 274 pence) per share, respectively.

28 Share-based payment charge *continued*

(b) Fair value calculations

The fair value of the share options granted during the year were calculated using the methods, principal assumptions and data set out below:

	ESOP 2014 Scheme	ESOP 2024 Scheme	SAYE 2024 Scheme
Method used	Black–Scholes	Black–Scholes	Black–Scholes
Date of grant	24 October 2014	30 May 2024	27 November 2024
Share price at date of grant (p/s)	124	375	310
Exercise price (p/s) – Approved options	124	375	274
Exercise price (p/s) – Unapproved options	124	337.5	–
Expected option life (years)	3 – 7	1 – 5	5
Vesting period (years)	3 – 7	1 – 5	5
Expected volatility	23% – 28%	29% – 30%	33%
Expected dividend yield	3.02%	1.75%	2.46%
Risk free rate	1.06% – 1.90%	4.11% – 4.68%	4.06%
Fair value per share (p/s)	18.61 – 21.07	67.40 – 119.93	100.27

Expected volatility was determined by calculating the annualised standard deviation over the daily changes in the share price, and measured against historical share price movements over the number of years vesting period prior to the grant of the options.

29 Notes to statements of cash flows

(a) Cash generated from operations

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Cash generated from continuing operations				
Profit before income tax	32,422	31,622	23,387	23,746
Depreciation of property, plant and equipment	5,674	5,129	2,713	2,229
Depreciation of investment properties	45	46	246	250
Amortisation of intangible assets	4,245	4,380	1,126	1,081
Fair value adjustment on redemption liability	(618)	(1,177)	–	–
Profit on disposal of property, plant and equipment	(135)	(191)	(108)	(149)
Loss on disposal of intangible assets	–	26	–	–
Net finance income	(1,231)	(925)	(3,977)	(4,899)
Retirement benefit contributions less current service charge	29	(178)	29	(178)
Share of joint venture loss	608	1,360	–	–
Share-based payment charge	627	720	627	720
Research and development expenditure credit	(139)	(280)	(116)	(213)
Effects of exchange rate movements	(599)	267	(295)	(206)
Changes in working capital:				
– Decrease/(increase) in inventories	283	(607)	1,017	(675)
– (Increase)/decrease in trade and other receivables	(260)	625	(1,060)	687
– (Decrease)/increase in payables and provisions	(3,568)	(736)	(4,306)	2,059
Cash generated from operations	37,383	40,081	19,283	24,452

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

29 Notes to statements of cash flows *continued*

(b) Changes in liabilities from financing activities

A summary of reconciliation of liabilities from financing activities is as follows:

Group	Financial liabilities £'000	Lease liabilities £'000	Redemption liabilities £'000	Deferred consideration £'000	Total £'000
At 1 July 2024	2,462	4,163	10,449	820	17,894
Financing cash flows					
Repayment of borrowings	(1,219)	–	–	–	(1,219)
Repayment of leases	–	(890)	–	–	(890)
Lease re-measurement	–	5	–	–	5
Total financing cash outflow	(1,219)	(885)	–	–	(2,104)
Investing cash flows					
Payment of deferred consideration on a joint venture	–	–	–	(813)	(813)
Total investing cash outflow	–	–	–	(813)	(813)
Non-cash changes					
Fair value adjustments	–	–	(1,177)	–	(1,177)
Lease additions	–	599	–	–	599
Total non-cash changes	–	599	(1,177)	–	(578)
Currency translation	1	31	83	(7)	108
At 30 June 2025 and 1 July 2025	1,244	3,908	9,355	–	14,507
Financing cash flows					
Repayment of borrowings	(400)	–	–	–	(400)
Repayment of leases	–	(1,016)	–	–	(1,016)
Payment for redemption of shares in a subsidiary	–	–	(5,588)	–	(5,588)
Total financing cash outflow	(400)	(1,016)	(5,588)	–	(7,004)
Non-cash changes					
Fair value adjustments	–	–	(618)	–	(618)
Lease additions	–	632	–	–	632
Lease re-measurement	–	57	–	–	57
Total non-cash changes	–	689	(618)	–	71
Currency translation	9	30	110	–	149
At 30 June 2026	853	3,611	3,259	–	7,723

Company	2026		2025	
	Lease liabilities £'000	Total £'000	Lease liabilities £'000	Total £'000
At 1 July	52	52	19	19
Financing cash flows				
Repayment of leases	(19)	(19)	(14)	(14)
Total Financing cash outflow	(19)	(19)	(14)	(14)
Non-cash changes				
Lease additions	–	–	47	47
Total non-cash changes	–	–	47	47
At 30 June	33	33	52	52

30 Capital commitments

	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Property, plant and equipment	399	302	165	–

31 Financial instruments by category

All financial instruments measured at fair value are categorised as level 2 in the fair value measurement hierarchy whereby the fair value is determined by using valuation techniques based on observable market inputs, except for:

- £4,047,000 (2025: £3,489,000) of listed investments for the Group and the Company included in financial assets at fair value through other comprehensive income that are classified as level 1 and are measured using quoted market prices; and
- £3,259,000 (2025: £9,355,000) of redemption liabilities arising from business combinations are classified as level 3 and are measured using valuation techniques that incorporate forecast financial performance of the acquired businesses and the contractual terms of the related acquisition agreements, including applicable earnings multiples and minimum settlement amounts.

There have been no changes to valuation techniques or movements between levels of the hierarchy in the year. The accounting policies for financial instruments have been applied to the line items below:

Group	Financial assets at amortised cost £'000	Financial assets at fair value through other comprehensive income £'000	Total £'000
30 June 2026			
Financial assets at amortised cost	1,790	–	1,790
Financial assets at fair value through other comprehensive income	–	4,069	4,069
Trade and other receivables	34,492	–	34,492
Short-term financial assets	8,267	–	8,267
Cash and cash equivalents	47,176	–	47,176
Total	91,725	4,069	95,794

Group	Financial assets at amortised cost £'000	Financial assets at fair value through other comprehensive income £'000	Total £'000
30 June 2025			
Financial assets at amortised cost	1,788	–	1,788
Financial assets at fair value through other comprehensive income	–	3,510	3,510
Trade and other receivables	33,462	–	33,462
Short-term financial assets	18,805	–	18,805
Cash and cash equivalents	42,983	–	42,983
Total	97,038	3,510	100,548

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

31 Financial instruments by category *continued*

Company	Financial assets at amortised cost £'000	Financial assets at fair value through other comprehensive income £'000	Total £'000
30 June 2026			
Financial assets at amortised cost	15,018	–	15,018
Financial assets at fair value through other comprehensive income	–	4,047	4,047
Trade and other receivables	26,012	–	26,012
Short-term financial assets	8,267	–	8,267
Cash and cash equivalents	30,185	–	30,185
Total	79,482	4,047	83,529

Company	Financial assets at amortised cost £'000	Financial assets at fair value through other comprehensive income £'000	Total £'000
30 June 2025			
Financial assets at amortised cost	49,165	–	49,165
Financial assets at fair value through other comprehensive income	–	3,489	3,489
Trade and other receivables	23,685	–	23,685
Short-term financial assets	15,380	–	15,380
Cash and cash equivalents	34,202	–	34,202
Total	122,432	3,489	125,921

The above analysis excludes prepayments.

Liabilities as per statement of financial position	Group		Company	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Trade and other payables (excluding statutory liabilities)	22,753	27,196	17,320	21,857
Redemption liabilities	3,259	9,355	–	–
Long service payments payable	14	46	–	–
Financial liabilities (note 20)	853	1,244	–	–
Lease liabilities	3,611	3,908	33	52

Except for redemption liabilities and deferred consideration, which are measure at fair value through profit or loss, financial liabilities are measured at amortised cost. The maturity analysis for lease liabilities is shown in note 21.

31 Financial instruments by category *continued*

Contractual maturity analysis of financial liabilities

The undiscounted maturity analysis of financial liabilities, other than lease liabilities, including interest is as follows:

Group	<1 year £'000	1–5 years £'000	>5 years £'000	Total £'000
30 June 2026				
Trade and other payables (excluding statutory liabilities)	23,085	–	–	23,085
Redemption liabilities	–	3,259	–	3,259
Post employment benefits	–	–	14	14
Financial liabilities (note 20)	262	504	87	853
Interest expense on financial liabilities	3	–	–	3
Total	23,350	3,763	101	27,214

Group	<1 year £'000	1–5 years £'000	>5 years £'000	Total £'000
30 June 2025				
Trade and other payables (excluding statutory liabilities)	27,196	–	–	27,196
Redemption liabilities	5,383	3,972	–	9,355
Post employment benefits	–	–	46	46
Financial liabilities (note 20)	415	656	173	1,244
Interest expense on financial liabilities	6	3	–	9
Total	33,000	4,631	219	37,850

Contractual cash flows relating to the Company's financial liabilities other than lease liabilities are all due within one year as at 30 June 2026 and 2025.

The Group and Company did not have derivative financial instruments at 30 June 2026 or 30 June 2025. Financial assets at fair value through other comprehensive income and redemption liabilities above are considered to be at fair value.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

32 Related party transactions

The following amounts relate to transactions between the Company and its related undertakings:

	Purchases of goods £'000	Sales of goods £'000	Sales of services £'000	Purchase of services £'000	Dividends paid to Company £'000
2026					
Philip Payne Limited	589	141	54	–	600
Solite Europe Limited	1,361	994	86	–	300
Portland Lighting Limited	68	23	79	–	200
TRT Lighting Limited	1,848	772	146	–	–
Thorlux Lighting L.L.C.	–	–	–	–	–
FW Thorpe Nederland B.V.	–	–	–	–	–
Lightronics B.V.	78	216	41	–	–
Thorlux Australasia PTY Limited	–	1,135	–	–	–
Thorlux Lighting GmbH	–	–	–	–	126
Famostar Emergency Lighting B.V.	41	1,570	–	–	–
Thorlux Lighting Limited	–	4,016	–	–	650
FW Thorpe Espana S.L.U.	–	–	–	–	–
Electrozemper S.A.	1,834	–	16	–	–
Zemper France S.A.R.L.	–	–	–	10	–
R.G.B. S.L.	–	–	–	–	–
Lumen Intelligence Holding GmbH	–	–	–	–	–
SchahlLED Lighting GmbH	73	2,784	–	–	–
Ratio Holding B.V.	–	–	–	–	–
Ratio Electric B.V.	–	–	–	–	–
Ratio Electric Power Solutions B.V.	–	–	–	–	–
Ratio EV Limited	177	208	20	–	–
Ratio Danmark ApS	–	–	–	–	–

	Purchases of goods £'000	Sales of goods £'000	Sales of services £'000	Purchase of services £'000	Dividends paid to Company £'000
2025					
Philip Payne Limited	601	266	54	–	400
Solite Europe Limited	2,087	788	79	–	750
Portland Lighting Limited	10	9	78	–	150
TRT Lighting Limited	1,798	731	146	–	–
Thorlux Lighting L.L.C.	–	58	–	–	–
FW Thorpe Nederland B.V.	–	–	–	–	–
Lightronics B.V.	87	352	41	–	–
Thorlux Australasia PTY Limited	–	563	–	–	–
Thorlux Lighting GmbH	–	–	–	–	–
Famostar Emergency Lighting B.V.	45	1,292	–	–	–
Thorlux Lighting Limited	–	5,116	–	–	–
FW Thorpe Espana S.L.U.	–	–	–	–	–
Electrozemper S.A.	491	–	–	350	–
Zemper France S.A.R.L.	–	–	–	3	–
R.G.B. S.L.	–	–	–	–	–
Lumen Intelligence Holding GmbH	–	–	–	–	–
SchahlLED Lighting GmbH	–	2,741	–	24	–
Ratio Holding B.V.	–	–	–	–	–
Ratio Elextric B.V.	–	–	–	–	–
Ratio EV Limited	–	–	–	–	–
Ratio Danmark ApS	–	–	–	–	–

32 Related party transactions *continued*

Trading balances due to and from the Company by its subsidiaries were as follows:

	Amounts due to related party at 30 June		Amounts due from related party at 30 June	
	2026 £'000	2025 £'000	2026 £'000	2025 £'000
Philip Payne Limited	(1,004)	(1,432)	109	121
Solite Europe Limited	(1,537)	(1,229)	53	106
Portland Lighting Limited	(416)	(786)	65	34
TRT Lighting Limited	(969)	(438)	325	522
Thorlux Lighting L.L.C.	–	–	–	–
FW Thorpe Nederland B.V.	–	–	84	38
Lightronics B.V.	(18)	(6)	42	3
Thorlux Australasia PTY Limited	(48)	(98)	900	374
Thorlux Lighting GmbH	–	–	–	–
Famostar Emergency Lighting B.V.	(12)	(11)	–	161
Thorlux Lighting Limited	(293)	(374)	340	342
FW Thorpe Espana S.L.U.	–	–	5,108	5,077
Electrozemper S.A.	(278)	(1,189)	–	–
Zemper France S.A.R.L.	(3)	–	–	–
R.G.B. S.L.	–	–	–	–
Lumen Intelligence Holding GmbH	–	–	–	–
SchahlLED Lighting GmbH	(33)	(8)	627	814
Total	(4,611)	(5,571)	7,653	7,592

Trading balances arising from purchases and sales of goods and services. The Company has made provisions for trade receivables of £1,901,000 (2025: £1,911,000) due from Thorlux Australasia PTY Limited. Trade receivables of £616,000 (2025: £616,000) due from Thorlux Lighting L.L.C., where full provision had been made in the prior years, were written off in the current year as Thorlux Lighting L.L.C. was liquidated. The amounts due from subsidiaries are net of provisions.

At 30 June 2026, the Company has trade balances due to and due from Ratio EV Limited of £5,000 (2025: £nil) and £378,000 (2025: £nil), respectively. The Group had trade balances due to and from Ratio EV Limited of £5,000 (2025: £nil) and £493,000 (2025: £nil), respectively. These balances arose from purchases and sales of goods and services and were included within trade payables and receivables. All balances were unsecured, interest-free and repayable on demand. Details of loan to Ratio EV Limited are set out in note 12.

The Company has loan balances due from FW Thorpe Espana S.L.U. of €36,000 (£31,000) (2025: €36,805,000 (£31,519,000)), FW Thorpe Nederland B.V. of €15,540,000 (£13,387,000) (2025: €18,737,000 (£16,046,000)). The Company also had loan balance due from Thorlux Lighting L.L.C. of £2,136,000 (2025: £2,136,000) where full provision had been made in the prior years. The loan was written off in the current year as Thorlux Lighting L.L.C. was liquidated. Terms of the loans to the subsidiaries are detailed in note 12.

Cash resources are managed centrally by the Company and result in balances owed to and from the Company when cash is transferred.

The key management personnel are the Group Board directors; their interests are disclosed in the Directors' Remuneration Report on pages 82 to 85. There are two employees who are related parties (2025: two). Total remuneration for the year was £173,000 (2025: £164,000).

The Company owns 40% of the share capital of Luxintec S.L., a company registered in Spain. During the year, there were no sales to and no purchases from Luxintec S.L. (2025: £nil). At the year end there were trade balances due to Luxintec S.L. of £31,000 (2025: £31,000) and due from Luxintec S.L. of £338,000 (2025: 338,000). The Company has made a provision of £338,000 (2025: £338,000) against the receivables due from Luxintec S.L.

In 2021 a loan of €869,000 was provided to Luxintec S.L. with interest payable at 1.5% secured against the company's assets. At the date of the financial statements, the loan notes balance including interest was €nil (2025: €nil) equating to £nil (2025: £nil) at the end of year exchange rate, including a provision of €869,000 (£749,000) (2025: €869,000 (£744,000)) (see note 12).

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

33 Group companies

The Company has the following investments as at 30 June 2026 and 2025:

			Proportion of nominal value of issued shares held by Group and Company	
Name of undertaking	Country of incorporation	Description of shares held	30 June 2026	30 June 2025
Directly owned by the Company				
Subsidiary				
Philip Payne Limited	England	Ordinary £1 shares	100%	100%
Solite Europe Limited	England	Ordinary £1 shares	100%	100%
Portland Lighting Limited	England	Ordinary £1 shares	100%	100%
TRT Lighting Limited	England	Ordinary £1 shares	100%	100%
FW Thorpe Nederland B.V.	Netherlands	Ordinary €0.01 shares	100%	100%
Thorlux Australasia PTY Limited	Australia	Ordinary \$1 shares	100%	100%
Thorlux Lighting Limited	Ireland	Ordinary €1 shares	100%	100%
FW Thorpe Espana S.L.U.	Spain	Ordinary €1 shares	100%	100%
Thorlux Lighting GmbH ¹	Germany	Ordinary \$1 shares	–	100%
Thorlux Lighting LLC. ¹	United Arab Emirates	Ordinary AED 1,000 shares	–	100%
Equity investment				
Luxintec S.L.	Spain	Ordinary €1 shares	40%	40%
Indirectly owned by the Company				
Subsidiary				
Lightronics B.V.	Netherlands	Ordinary €454 shares	100%	100%
Famostar Emergency Lighting B.V.	Netherlands	Ordinary €100 shares	100%	100%
Electrozemper S.A.	Spain	Ordinary €1,250 shares	100%	90%
Zemper France S.A.R.L	France	Ordinary €1,000 shares	100%	90%
R.G.B. S.L	Spain	Ordinary €60 shares	100%	90%
Lumen Intelligence Holding GmbH	Germany	Ordinary €1 shares	80%	80%
SchahLED Lighting GmbH	Germany	Ordinary €1 shares	80%	80%
Joint venture				
Ratio Holding B.V.	Netherlands	Ordinary €1 shares	50%	50%
Ratio Electric B.V.	Netherlands	Ordinary €1 shares	50%	50%
Ratio Electric Power Solutions B.V.	Netherlands	Ordinary €1.22 shares	50%	–
Ratio EV Limited	England	Ordinary £1 shares	50%	50%
Ratio Danmark ApS	Denmark	Ordinary DKK1 shares	37.5%	37.5%

¹ Liquidated during year ended 30 June 2026

33 Group companies *continued*

The registered office addresses of these Group companies are:

Philip Payne Limited	Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH, England
Solite Europe Limited	Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH, England
Portland Lighting Limited	Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH, England
TRT Lighting Limited	Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH, England
FW Thorpe Nederland B.V.	Spuiweg 19, 5145 NE Waalwijk, Netherlands
Lightronics B.V.	Spuiweg 19, 5145 NE Waalwijk, Netherlands
Thorlux Australasia PTY Limited	31 Cross Street, Brookvale, NSW 2100, Australia
Famostar Emergency Lighting B.V.	Florijnweg 8 6883JP Velp, Netherlands
Luxintec S.L.	Polígono Industrial La Encomienda, C/ Atlas 12-14, 47195 Arroyo de la Encomienda, Valladolid, Spain
Thorlux Lighting Limited	Unit G6 Riverview Business Park, Nangor Road, Gallanstown, Dublin 12, Ireland
FW Thorpe Espana S.L.U.	Calle Conde de Aranda, 1, 2º izq., 28002 Madrid, Spain
Electrozemper S.A.	C/ Juan de Mariana, 16 Local 2 Drcha, 28045 Madrid, Spain
Zemper France S.A.R.L.	189 Chemin des Frozières ZA des Berthilliers, 71850 Charnay-Les-Macon, France
R.G.B. S.L.	C/ Flauta Magica 19, 29006 Malaga, Spain
Lumen Intelligence Holding GmbH	Max-Planck-Straße 9, 85716 Unterschleißheim, Germany
SchahLED Lighting GmbH	Max-Planck-Straße 9, 85716 Unterschleißheim, Germany
Ratio Holding B.V.	Ambachtsstraat 12, 3861 RH Nijkerk, Netherlands
Ratio Electric B.V.	Ambachtsstraat 12, 3861 RH Nijkerk, Netherlands
Ratio Electric Power Solutions B.V.	Ambachtsstraat 12, 3861 RH Nijkerk, Netherlands
Ratio EV Limited	Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH, England
Ratio Danmark ApS	Drejervænget 8, Assens, 5610, Denmark
Luxintec S.L.	Polígono Industrial La Encomienda, C/ Atlas 12-14, 47195 Arroyo de la Encomienda, Valladolid, Spain

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026 *continued*

33 Group companies *continued*

The principal activities of these Group companies are:

Philip Payne Limited	– design and manufacture of illuminated signs
Solite Europe Limited	– design and manufacture of clean room lighting equipment
Portland Lighting Limited	– design and manufacture of lighting for signs
TRT Lighting Limited	– design and manufacture of lighting for roads and tunnels
FW Thorpe Nederland B.V.	– holding company
Lightronics B.V.	– design and manufacture of external and impact resistant lighting
Thorlux Australasia PTY Limited	– sale of lighting equipment to industrial and commercial markets
Famostar Emergency Lighting B.V.	– design and manufacture of illuminated signs
Thorlux Lighting Limited	– sale of lighting equipment to industrial and commercial markets
FW Thorpe Espana S.L.U.	– holding company
Electrozemper S.A.	– design and manufacture of illuminated signs
Zemper France S.A.R.L.	– sale of lighting equipment to industrial and commercial markets
R.G.B. S.L.	– sale of lighting equipment to industrial and commercial markets
Lumen Intelligence Holding GmbH	– holding company
SchahLED Lighting GmbH	– sale of lighting equipment to industrial and commercial markets
Ratio Holding B.V.	– holding company
Ratio Electric B.V.	– design, manufacture and sale of EV charging equipment
Ratio Electric Power Solutions B.V.	– design, manufacture and sale of electrical equipment for marine application and building power distribution
Ratio EV Limited	– design, manufacture and sale of EV charging equipment
Ratio Danmark ApS	– sale of EV charging equipment
Luxintec S.L.	– design and manufacture of LED luminaires and lenses

For the year ended 30 June 2026, Philip Payne Limited, Solite Europe Limited and Portland Lighting Limited are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of section 479A. As a result, the Group guarantees all outstanding liabilities to which the subsidiary company is subject. The Company registration number for Philip Payne Limited it is 01361523, for Solite Europe Limited it is 02295852 and for Portland Lighting Limited it is 02826511.

34 Events after the statement of financial position date

There are no events after the statement of financial position date that have significant impact on the Group's and the Company's financial position.

Notice of meeting

Notice is hereby given that the Annual General Meeting of FW Thorpe Plc will be held at Merse Road, North Moons Moat, Redditch, Worcestershire, B98 9HH on 26 November 2026 at 3.15 pm to transact the business set out below.

Ordinary business

1. To receive and adopt the Annual Report and Accounts for the year ended 30 June 2026.
2. To declare a final dividend.
3. To re-elect Mr I A Thorpe as a director.
4. To re-elect Mr A B Thorpe as a director.
5. To re-elect Mr J E Thorpe as a director.
6. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company, to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company and to authorise the directors to fix the auditors' remuneration.

Special business

To consider and, if thought fit, to pass the following resolutions which will be proposed in the case of 7 as an ordinary resolution and in the case of 8 as a special resolution.

7. That the Directors' Remuneration Report (as set out on pages 82 to 85 of the Annual Report and Accounts) for the year ended 30 June 2026 be approved.
8. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 1p each of the Company provided that:
 - a. the maximum number of ordinary shares hereby authorised to be acquired is 11,893,559;
 - b. the minimum price which may be paid for any such share is 1p;
 - c. the maximum price which may be paid for any such share is an amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from the Alternative Investment Market for the five business days immediately preceding the day on which such share is contracted to be purchased;
 - d. the authority hereby conferred shall expire on the date of the Annual General Meeting of the Company in 2027; and
 - e. the Company may make a contract to purchase its ordinary shares under the authority hereby conferred prior to the expiry of such authority, which contract will or may be executed wholly or partly after the expiry of such authority, and may purchase its ordinary shares in pursuance of any such contract.

Notes

1. Copies of the directors' service contracts will be available for inspection during usual business hours, at the registered office of the Company on any weekday (Saturdays and public holidays excepted) from the date of this notice until the date of the meeting and also at the meeting for at least 15 minutes prior to, and until the conclusion of, the meeting. If you wish to inspect these documents, please contact the Company at shareholders@fwthorpe.co.uk.
2. To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes that should be cast), members must be registered in the Register of Members of the Company at 6.30 pm on 24 November 2026 (or, in the event of any adjournment, 6.30 pm on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes on the form of proxy. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. To appoint more than one proxy, an additional proxy form(s) may be obtained by contacting the Company's registrars, Equiniti, Highdown House, Yeoman Way, Worthing, West Sussex, BN99 6DA, or you may photocopy the proxy form. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given.
5. A reply paid form of proxy is enclosed with shareholders' copies of this document. To be valid, it should be lodged with the Company's registrars, Equiniti, Highdown House, Yeoman Way, Worthing, West Sussex, BN99 6DA, so as to be received not later than 3.15 pm on 24 November 2026 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.

Notice of meeting continued

Notes continued

6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members (www.euroclear.com), and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a “CREST Proxy Instruction”) must be properly authenticated in accordance with Euroclear UK & International’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer’s agent ID RA19, by 3.15 pm on 24 November 2026 (or, in the case of an adjournment of the Annual General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
10. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 3.15 pm on 24 November 2026 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity’s associated terms and conditions. It is important that you read these carefully as you will be bound by them, and they will govern the electronic appointment of your proxy.
11. As at 1 October 2026 (being the last practicable day prior to the publication of this notice), the Company’s issued share capital consists of ordinary shares of 1p each, carrying one vote each. Excluding 6,873,682 shares held in treasury, the total voting rights in the Company as at 1 October 2026 are 112,061,908.

Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should he or she subsequently decide to do so. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.

By order of the Board



Craig Muncaster
Chief Executive, Group Financial Director and Company Secretary

Registered Office:
Merse Road
North Moons Moat
Redditch
Worcestershire
B98 9HH

1 October 2026

Financial calendar

2026

15 October	Posting of the Annual Report and Accounts
26 November	Annual General Meeting
4 December	Payment of final dividend

2027

March	Announcement of interim results
April	Payment of interim dividend
September	Announcement of results for the year

Company information

Independent Auditors

PricewaterhouseCoopers LLP
One Chamberlain Square
Birmingham
B3 3AX

Bankers

Lloyds
Church Green East
Redditch
Worcestershire
B98 8BZ

Solicitors

Keystone Law
48 Chancery Lane
London
WC2A 1JF

Pinsent Masons LLP
55 Colmore Row
Birmingham
B3 2FG

Nominated Advisor

Singer Capital Markets Advisory
LLP
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London
EC2N 2AX

Registrars

Equiniti
Highdown House
Yeoman Way
Worthing
BN99 3HH

Registered Office

Merse Road
North Moons Moat
Redditch
Worcestershire
B98 9HH

Registered No

FW Thorpe Plc is registered in
England and Wales No. 317886



The production of this report supports the work of the Woodland Trust, the UK’s leading woodland conservation charity. Each tree planted will grow into a vital carbon store, helping to reduce environmental impact as well as creating natural havens for wildlife and people.

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FW THORPE PLC



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