



**altro**



**The Annual Report**

and

**Consolidated  
Financial Statements**

of

**Altro Group Limited**  
(formerly known as The Altro Group plc)

for the year ended

**31 December 2024**

Company Registration Number: 01493087

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## Company Information

### The Board of Directors

*\*Non-Executive*

R J Kahn  
A Mitter  
P L Caller  
M P Fincham\*  
A L Nelson\*  
E P Boyle\*

### Company Secretary

F P G Carey

### Registered Office

Works Road  
Letchworth Garden City  
Hertfordshire  
SG6 1NW

### Independent Auditors

PricewaterhouseCoopers LLP  
St Johns Innovation Park  
The Maurice Wilkes Building, Cowley Road  
Cambridge  
CB4 0DS

### Registrars

MUFG Corporate Markets  
10<sup>th</sup> Floor, Central Square  
29 Wellington Street  
Leeds  
LS1 4DL

## Chair's statement for the year ended 31 December 2024

During 2024 the Board took decisive action to reduce waste and improve efficiency and I am proud that, as a result of that and other factors, we have been able to deliver a healthy profit for the year, despite continued difficult trading conditions.

I can announce that the result for the year ended 31 December 2024 was a profit before taxation of £8.4m (2023: £8.8m) on sales of £174.6m (2023: £173.5m).

During 2024, dividends totalling 13.0p per share were paid (2023: 9.0p). At the Annual General Meeting in June, the Company proposes to seek the approval of the shareholders to pay a final dividend of 10p per share on 25 July 2025 to those shareholders on the register at close of business on 4 July 2025.

A share valuation of 407p was obtained from Investec Bank plc in April 2025 (April 2024: 638p, August 2024: 542p, December 2024: 465p) on behalf of the Trustees of the Employee Benefit Trust (EBT) and the Share Incentive Plan (SIP).

At the AGM in June 2024, shareholders agreed to the re-registration of the Group's parent company (The Altro Group plc) from a public limited company to a private limited company under the name Altro Group Limited (formerly The Altro Group plc) and, as shareholders are aware, this change came into effect on 2 August 2024.

I would also like to personally thank those shareholders who attended the memorial for my father, David Kahn, that was held immediately following the AGM during 2024. David Kahn continues to be sorely missed, but my family takes great comfort in the support that has been shown to us by so many associates of the Altro Group.

I would like to thank shareholders for their continued support and I look forward to continuing to serve the Group as Chairman throughout 2025 and beyond.



**R J Kahn**  
1 May 2025

# Strategic report

## for the year ended 31 December 2024

The directors present their Strategic report on the Group for the year ended 31 December 2024.

### Principal activities and review of the business

Altro Group Limited (formerly The Altro Group plc) (the “Company”) is an unquoted private limited company and the holding company of the Altro group of companies (together, the “Group”). The Group’s balance sheet is disclosed on page 25 and the profit attributable to its shareholders is disclosed on page 24 of this Annual Report and Consolidated Financial Statements.

The principal activities of the business are the manufacture and marketing of:

- Altro safety flooring
- Altro smooth flooring
- Altro luxury vinyl tile
- Altro wall systems
- Altro resin systems
- Autoglym vehicle care products.

With effect from close of business on 31 May 2024, the Group acquired the control of Portbid Holdings Pty Ltd (the holding company of the Autoglym Division’s Australian distributor (“Portbid Pty. Ltd”) and GNG Sales New Zealand Pty Limited. The operational and commercial benefits from this acquisition will assist the Group in increasing its presence across Asia-Pacific.

During the year, the Company and its subsidiaries continued to recover from the challenges of previous years, including the raw material and overhead price increases.

### Financial review

The consolidated profit and loss account for the year is set out on page 24.

The key performance indicators (KPIs) for the Group are:

- Turnover - increase of 0.6% (2023: up 7.3%)
- Operating profit - increase of 1.6% (2023: up 1,998.1%)
- Net funds - decrease of 12.7% (2023: up 106.8%)
- Total Shareholders' funds - decrease of 0.1% (2023: down 6.3%)

The Group's net funds comprising cash and cash equivalents net of bank overdrafts were £14.4m (2023: £16.5m) as at 31 December 2024.

Turnover has increased year on year aided by price increases into the market and operating profit has also recovered significantly as raw material prices stabilised. Performance against the KPIs in 2024 is once again considered satisfactory given the wider economic context.

Health and Safety (Zero Harm) is a key priority for the Group and this has remained the case throughout 2024. Both the Altro Floors & Walls and Autoglym Divisions have dedicated Health and Safety Managers, and the accident and investigation process launched in the UK in 2023 to prioritise the prevention of high-risk accidents and incidents was rolled out internationally in 2024. The Board reviews a number of Zero Harm metrics every month and against annual targets and were pleased to note that both Divisions experienced fewer major accidents/injuries in 2024 compared to 2023.

Expenditure during the year has included investment in buildings, plant and machinery throughout the Group as well as additional contributions of £2.8m (2023: £2.8m) to the Defined Benefit Pension Scheme.

### Future developments

The Group continues to seek growth in both its UK and overseas markets in the longer term. More immediately, the Group remains focused on responding to the evolving conditions across its international markets, including monitoring the ongoing economic situation and impact of potential US tariffs on our international trade.

# Strategic report *(continued)*

## for the year ended 31 December 2024

### Principal risks and uncertainties

The business is subject to a number of risks and the Group has procedures and systems to manage these. The key business risks affecting the Group are considered to relate to the following:

#### *Competition from other manufacturers*

The Board and commercial management teams review available competitor and market data on a regular basis, although it is recognised that this is a usual commercial risk that cannot be entirely mitigated.

#### *Loss of manufacturing facility (for example, through fire)*

Business Interruption Insurance is in place and we have fire suppression systems specifically for fire risk.

#### *Increases in raw material and energy costs*

Contracts are put in place for major raw materials and energy is forward bought. Structural changes within the business mean we are also now able to respond to changes in external costs with greater agility.

#### *Significant data and/or systems/network loss (including cyber-crime) leading to reputational damage and costs*

There has been significant investment in this area including specialist software, training for all staff, back-ups and cloud-based storage. This investment continues to date and is planned on an ongoing basis.

#### *Ban on essential product components / raw materials*

Formulations are continuously updated and reviewed and alternatives are being actively investigated.

#### *Regulatory changes and / or actions which may be taken by Governments in our major markets*

The business regularly reviews new regulations across all parts of the business and is internationally diversified.

#### *Fluctuations in the UK and global economy*

We are internationally diversified in both business Divisions, although it is recognised that, like all businesses, we are still susceptible to global economic shocks (such as happened during the COVID-19 pandemic).

### Financial risk management

The Group's operations expose it to a variety of financial risks, including the effects of changes in currency exchange rates, credit exposure, and changes in prices, liquidity and interest rates. Given the size of the Group, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of directors are implemented by the Group's finance department.

The main risks arising from the Group's financial management can be analysed as follows:

#### *Currency risk*

The Group is exposed in its trading operations to the risk of fluctuations in currency exchange rates. Where appropriate, forward contracts and swaps are used to hedge this exposure.

#### *Credit risk*

The Group's principal financial assets are loans receivable, cash at bank and in hand, and trade and other debtors which represent the Group's maximum exposure to credit risk in relation to financial assets. This risk is managed through internal monitoring processes and credit insurance.

# Strategic report *(continued)*

## for the year ended 31 December 2024

### Financial risk management *(continued)*

#### *Price risk*

The Group is exposed to price risk on raw materials as a result of its operations and such exposure is monitored closely and reported on regularly. In most cases, dual supply arrangements are in place.

#### *Liquidity and cash flow risk*

The Group has positive cash at bank and in hand balances with various banks and appropriate overdraft facilities in place where considered necessary. The Board continues to actively review decisions requiring significant cash outlay as a means of maintaining its cash balance.

#### *Interest rate risk*

The Group has limited exposure to interest rate risk as it has only minimal external borrowings. There is also an exposure to the impact of longer term rate movements in the Defined Benefit Pension Scheme, which is managed by the Trustees of the Scheme and their advisers.

### Companies Act 2006 Section 172 Statement

The Board of Directors of Altro Group Limited (formerly The Altro Group plc) (the “Board”) are fully aware of their duty under Section 172, along with the other directors’ duties in the Companies Act 2006. 2024 continued to be challenging but throughout the year, the Board, along with senior managers and staff in all operations, has continued to ensure the business remains strong and stable for its future success and for the benefit of all its stakeholders; this has resulted in a strong recovery during the year.

As with all companies, decision making within the Group is complex and the Board takes into account many factors, sometimes conflicting, when reaching decisions. The directors’ decisions are always driven by the need to promote the success of the Company for the benefit of its members as a whole and whilst taking decisions they consider all their duties under the Companies Act 2006, including having regard to all of the matters under Section 172 (1) a) to f).

The Board’s approach to decision-making aligns with the Group’s over-arching strategy of being a customer-focussed group, producing high-end products, with family values at its heart. This global strategy encompasses the more detailed strategy for each of the Group’s two diverse trading divisions (Autoglym and Altro Floors and Walls) (the “Divisions”) and drives the budget approval process that usually takes place in the last quarter of each financial year. The Section 172 factors are also closely aligned with the Group’s culture, reflected in the mantra of ‘Valuing our customers; valuing each other’.

Throughout 2024, Corporate Governance has remained a monthly Board agenda item, allowing the Board to regularly reflect on various processes and arrangements for discharging their duties. The impact of decisions on stakeholders is considered in detail and such decision-making is supported by comprehensive Board papers that are distributed to directors ahead of Board meetings. The Board is supported by a company secretarial team and at least one member of the secretariat is present at every Board meeting to offer advice and support as needed, as well as taking comprehensive minutes.

The composition of the Board supports its long-term outlook. Richard Kahn, (Managing Director and Chair) a member of the founding family who are majority shareholders, served on the Board throughout 2024. Sadly, in January 2024, David Kahn passed away, which is a deep loss not only to the Kahn family, but the wider business that he had served diligently for the last 70 years.

Edmond Boyle retired as Finance Director and Company Secretary on 31 December 2024. Edmond Boyle worked for the Group for 40 years and has become a Non-Executive Director, allowing the Board to continue to benefit from his wealth of experience. The Board therefore has not recruited a Non-Executive Director in place of David Kahn. Akash Mitter joined the Group on 1 October 2024 as Group Chief Financial Officer and was appointed as a Director on 24 October 2024. Fiona Carey replaced Edmond Boyle as Company Secretary on 1 January 2025. Andrew Nelson (Non-Executive Director) continued his appointment throughout 2024 and to date. Although the total number of Non-Executive directors on the Board at the close of 2024 was two, this increased to three as of 1 January 2025 and is therefore now equal to the number of Executive Directors (three); the Board feels this continues to bring an appropriate balance to ensure strong governance. The level of independence brought to the Board via Andrew Nelson continues to be of benefit to the Group. Michael Fincham and Edmond Boyle both bring extensive knowledge of what has made the Group successful on a long-term basis, having been long-serving senior employees.

# Strategic report *(continued)*

## for the year ended 31 December 2024

**Companies Act 2006 Section 172 Statement *(continued)***

The three Executive directors are made up of the Group Chief Financial Officer, and both Divisional CEOs, ensuring the Divisions maintain a long-term focus and are strategically aligned. This also ensures that the culture of the Group, its purpose and values are maintained throughout both Divisions and through all subsidiaries.

The composition of the Board of Altro Limited (the Group’s primary trading subsidiary) is identical to the Board of Altro Group Limited (formerly The Altro Group plc) and at least one director of every international trading subsidiary is either a director of Altro Group Limited (formerly The Altro Group plc) or a member of one of the Executive Committees (see below). This is to ensure that governance is closely aligned within the Group and all its subsidiaries.

The Board has long-established Executive Committees for each of its Divisions that regularly engage with various stakeholder groups and report back to the Board. These Committees work with all relevant subsidiaries around the globe. The CEO of each Division (Richard Kahn – Altro Floors and Walls and Paul Caller – Autoglym) sit on their respective Executive Committee and the Group Chief Financial Officer sits on both. All three are directors and therefore the Board receives monthly updates from the Executive Committees through these individuals. On a monthly basis, the CEO of each Division reports to the Board on such matters as Zero Harm (health and safety) performance, operational efficiency, product innovation, sustainability and environment, employee matters and customer and supplier information. The minutes of every Executive Committee meeting are also shared with the directors. The Executive Committees have access to the secretariat for assistance and advice. Besides engagement via the Executive Committees, the Board also takes part in direct engagement with various stakeholder groups.

The following pages show an outline of how the Board has regard to specific stakeholder groups, issues and factors and examples of the effect of that regard and Principal Decisions made during 2024.

CA2006 s.172 Matters a-f	How the directors have had regard to this matter	The effect of that regard
<p><b>a)</b> The likely consequences of any decision in the long term</p>	<p>The Group has always considered the longer term and this is reflected in the fact that the oldest company in the Group (Altro Limited) has been in operation since 1919. In particular, the Board always considers the balance between the short and long-term extremely carefully in all of its decision-making; any decision that would be a short-term gain, but could have a negative long-term impact is generally dismissed, unless the Board considers there are very clear mitigating factors.</p> <p>The Group has chosen to have two complementary, but distinct Divisions. This forms part of a long-term risk mitigation strategy as the Divisions are affected by economic and other challenges at different rates and in different ways. For example, raw materials differ between the Divisions, stabilising raw material price risk. This has been particularly relevant during recent years.</p>	<p>Protecting the long-term viability of the Group is central to every Board discussion and decision-making process. The Board reviews detailed international five year plans and these are updated on an annual basis.</p> <p>The Board has remained cautious during 2024 in response to the economic climate but where appropriate has continued with capital expenditure and investment to ensure the long-term success of the Group. This approach allows a balance between ensuring the short-term health of the Group and investing for the future growth of the business.</p> <p>(See also ‘Expenditure and Borrowing Decisions’ in the ‘Principal Decisions’ section.)</p>
<p><b>b)</b> The interests of the Company’s employees</p>	<p>See the ‘Statement on employee engagement’ section of the Directors’ report, as well as the Stakeholder table below.</p>	<p>See the ‘Statement on employee engagement’ section of the Directors’ report, as well as the Stakeholder table below.</p>
<p><b>c)</b> The need to foster the Company’s business relationships with suppliers, customers and others</p>	<p>See the Stakeholder table below.</p>	<p>See the Stakeholder table below.</p>

**Strategic report** *(continued)*  
**for the year ended 31 December 2024**

**Companies Act 2006 Section 172 Statement** *(continued)*

<p><b>d)</b> The impact of the Company's operations on the community and the environment</p>	<p>See both 'Community' and 'Environment' in the Stakeholder table below and the Emissions and energy consumption section in the Directors' report.</p>	<p>See both 'Community' and 'Environment' in the Stakeholder table below and the 'Emissions and energy consumption' section in the Directors' report.</p>
<p><b>e)</b> The desirability of the Company maintaining a reputation for high standards of business conduct</p>	<p>The Board takes abiding by laws in every region very seriously and has various Steering Groups within the business to assist with relevant legislative compliance. This includes a Data Protection Steering Committee, which ensures compliance with Data Protection laws, and an Anti-Bribery and Corruption Group that engages with employees to ensure compliance with the Bribery Act 2010.</p> <p>The employee handbook also sets out a clear whistle-blowing procedure which is flagged to new employees as part of their induction, amongst other policies such as modern slavery, data protection and the new Diversity, Inclusion and Belonging policy introduced during 2024. There is also a network of Dignity at Work coaches and Mental Health First Aiders that staff can consult.</p> <p>In order to ensure high standards of business conduct both manufacturing subsidiaries (UK and Germany) and Autoglym have ISO accreditations, as follows:</p> <ul style="list-style-type: none"> <li>- ISO 14001 (Environmental Management Systems)</li> <li>- ISO 9001 (Quality Management)</li> <li>- ISO 45001 (Occupational Health and Safety) accreditation (Autoglym only)</li> </ul> <p>(See also 'Directors' Engagement with and Regard to Employees' in the Statement of employee engagement.)</p>	<p>The Group issued a formal Diversity, Inclusion and Belonging Policy in February 2024 and launched a 'Year of Education' in relation to this topic in July 2024, to increase awareness and develop knowledge of an inclusive culture.</p> <p>The Altro Limited Gender Pay Gap Report for April 2024 shows a median Gender Pay Gap of 9.9%, compared to a UK National Median Gender Pay Gap of 13.1% (Source: Office for National Statistics 2024).</p> <p>Zero Harm (Health and safety) remained a particular focus within the Group during 2024. The Altro Floors &amp; Walls Division instigated a number of initiatives such as new walkways, line-markings and safe-crossing points on manufacturing sites, and forklifts being replaced by pallet and stacker trucks. A new staff Zero Harm email address was introduced and Zero Harm information was shared with staff highlighting matters such as Challenging Unsafe Behaviour, Reporting Near Misses, wearing Hi-Viz and Slips and Trips. Autoglym's Zero Harm focus in 2024 was its Moving Vehicle Charter and the rollout of the CHATS (Communicate Hazards by Approaching Talking to Sort) programme highlighting behavioural safety and acting on the outcomes.</p> <p>During 2024, the Autoglym Division secured a Royal Warrant from His Majesty King Charles III. This incredible achievement is the fourth successive Royal Warrant for Autoglym and a testament to the effort and commitment of the whole Autoglym team. The first Royal Warrant was granted in 1991 by the then Prince of Wales, with further Warrants subsequently granted by the late HM Queen Elizabeth II and by the late HM The Queen Mother.</p>

# Strategic report *(continued)*

## for the year ended 31 December 2024

### Companies Act 2006 Section 172 Statement *(continued)*

CA2006 s.172 Matters a-f	How the directors have had regard to this matter	The effect of that regard
f) The need to act fairly as between members of the Company	<p>The Board considers the impact of decisions on shareholders as a whole and is always mindful of the differing levels of access to information between shareholder groups (i.e. employee shareholders versus non-employee shareholders).</p> <p>The Board has maintained a desire to have only one class of shareholder to facilitate fairness between members.</p> <p>(See also the 'Shareholders' section in the Stakeholder table below.)</p>	<p>The Board ensures shareholders who are not employees have access to performance data, not only through the Annual Report, but also through an interim statement, which it voluntarily produces and was last distributed in November 2024.</p> <p>(See also 'Dividend Decisions' in the 'Principal Decisions' section.)</p>

Section 172 of the Companies Act 2006 requires the directors to have regard to the prescribed factors listed previously, along with 'other matters'. Therefore, in order to determine a full list of issues, factors and stakeholders that are relevant when making decisions, the Board examines the supply chain for each of its Divisions, as well as the reach of the business, its interactions with other businesses and partners and its physical locations. It also examines data from employee engagement processes (see the Directors' report), as well as customer and supplier feedback. Based on this, the Board maintains a list of stakeholders and other more intangible factors for consideration when making decisions. This enables them to assess the potential impact of decisions on relevant stakeholder groups, whilst ensuring the long-term success of the Company on behalf of the shareholders. The issues, factors and stakeholders are not exhaustive and for each decision taken there may be other factors considered.

Below we outline the stakeholder groups the Board deems to be most relevant to its decision making and for each notes engagement strategies (how the Board has had regard to this stakeholder group) and the outcomes (the effect of the Board's regard for this stakeholder group).

EMPLOYEES	
Engagement Strategies	Outcomes
Please see the 'Statement of employee engagement' section of the Directors' report, which is incorporated into this Strategic report by reference and therefore forms an integral part of this report.	Please see the 'Statement of employee engagement' section of the Directors' report, which is incorporated into this Strategic report by reference and therefore forms an integral part of this report.

SHAREHOLDERS	
<i>As an unlisted company with several hundred shareholders, we are proud that shareholder engagement is an integral part of our annual calendar.</i>	
Engagement Strategies	Outcomes
<p>The Board understands the importance of shareholders and therefore, for many years, has engaged a professional registrar company to take care of shareholder enquiries and for registering changes to shareholdings. The company secretarial team alert the directors to any specific shareholder requests or concerns, and this allows a close link between the Board and shareholders. In addition to our external Registrar, the Group understands that some shareholders prefer more personal interaction and therefore shareholders are also able to directly contact the company secretarial team.</p> <p>The Company holds an Annual General Meeting ("AGM") and we welcomed a number of shareholders to a memorial service for David Kahn after the AGM in 2024.</p>	<p>As outlined above, the Board continued to maintain a careful balance between preserving working capital and making significant expenditure decisions. In making these decisions the Board weighed up carefully the views of the shareholders and other stakeholders. Shareholders were kept informed of decisions that affected them, such as dividends, through written communications.</p> <p>We have continued to encourage shareholders to change to electronic communication during 2024.</p> <p>(See also 'The need to act fairly as between members of the Company' above and 'Dividend Decisions' in the 'Principal Decisions' section.)</p>

**Strategic report** *(continued)*  
**for the year ended 31 December 2024**

Companies Act 2006 Section 172 Statement *(continued)*

<b>PENSIONERS</b>	
<i>Our pensioners have often dedicated many years to serving the Group and we are mindful of our responsibility to them as well as how our current workforce plan for retirement in a society where retirement savings are often inadequate.</i>	
<b>Engagement Strategies</b>	<b>Outcomes</b>
<p>The Group sends a representative to each Defined Benefit Pension Trustee meeting and engages regularly with the Trustees and Scheme Actuary. The Board meets periodically with both the Independent Trustee and Scheme Actuary.</p> <p>There is a Defined Contribution Pension Scheme Group, who meet annually with the administrators to review the Scheme.</p> <p>New UK employees are given a full introduction to Auto Enrolment and the Defined Contribution Pension Scheme. There are also employee presentations in the UK outlining pension arrangements and, as employees approach retirement, they are given the option of a one-to-one meeting with an advisor from the Company Pension Scheme administrators. In 2024, employees were informed of Pensions Awareness Week and given access to a number of seminars run by the Pension Scheme administrators; employees are also given access to online information about how to plan for retirement and the potential worth of their pension savings in real terms.</p>	<p>To give an added layer of protection, the Company has in place a cross-guarantee for the Defined Benefit Pension Scheme and the Group has again put £2.8m into funding the deficit during 2024. Altro Limited also pays pension scheme costs for administration, investment advice and other pension fund fees.</p> <p>The Group has a ‘Rundown to Retirement’ scheme in the UK, whereby employees are prepared for this significant life event through a series of seminars and then a gradual reduction in working days over the last four months of employment, whilst maintaining full pay and benefits.</p>

<b>SUPPLIERS</b>	
<i>Our suppliers are vital to our long-term success, as they enable us to continue to deliver high quality product to our customers. Ensuring our supply chain meets our high standards helps to ensure the integrity of our products and maintain our ethical business values.</i>	
<b>Engagement Strategies</b>	<b>Outcomes</b>
<p>The Group carries out regular reviews of many of its suppliers and both new and existing suppliers are invited to visit our sites. During such visits the Group’s Zero Harm programme is discussed with suppliers as the Group believes mutual sharing of such information strengthens health and safety throughout the supply chain for everyone’s benefit.</p> <p>The Group has many strong supplier relationships and regularly engages in good open dialogue, talking with them about our supply requirements, seeking and giving feedback and responding to requests and suggestions from suppliers. Our questionnaire for new suppliers contains checks and questions on issues such as national minimum wage, ethical behaviour and safe working practices.</p> <p>When selecting suppliers, their ethical values and welfare records are considered along with both their business and product sustainability criteria.</p>	<p>Due to continued close alignment with our suppliers, no production stoppages occurred due to lack of material availability.</p> <p>In the year we introduced the Altro Responsible Sourcing Policy and engaged our suppliers via our Supplier Code of Conduct, with almost half of our production material suppliers signing the policy within a month of its launch.</p> <p>During 2024, Altro Floors continued with a sustainability project with a major supplier, helping to shape some of our own initiatives. Other suppliers have assisted us in sharing information on the environmental credentials of their materials and sustainability reports.</p>

**Strategic report (continued)**  
**for the year ended 31 December 2024**

Companies Act 2006 Section 172 Statement (continued)

<p><b>CUSTOMERS</b>  <i>Without customer engagement we would not be able to ascertain the direction in which to take our innovation programmes and ultimately would not be able to grow sales.</i></p>	
<p>We have a variety of routes to market and as such a variety of customer groups as follows:</p> <ul style="list-style-type: none"> <li>• Business Partners (including Agents, Distributors, Franchisees and Researchers)</li> <li>• Product users (such as installers (Altro Floors and Walls), valeters and dealerships (Autoglym)) and specifiers (such as architects)</li> <li>• End consumers</li> </ul>	
<p><b>Engagement Strategies</b></p> <p>The Group collects feedback from customers through a variety of channels including during site visits, live website chats, social media and direct contact via email and phone. Since the inception of its Voice of the Customer programme in 2008, the Altro Floors and Walls Division has hosted nearly 1,800 visits welcoming over 4,300 attendees. During 2024, Altro Floors hosted 87 visits to Letchworth by 357 individuals from 11 different countries and Dessau welcomed visitors from 7 countries.</p> <p>In addition to Voice of the Customer, Altro Floors &amp; Walls also welcomed a number of customers to its European Sales Conference held in Athens in April 2024 and over 800 visitors to the London Showroom during Clerkenwell Design Week in May 2024. 40 architects and designers visited its site in Dessau for product workshops, a factory tour and to attend the internationally acclaimed design and construction event that is Bauhausfest.</p> <p>Both Divisions run a host of events for customers throughout the year. This includes videos, e-learning and webinars. This is in addition to training events and training schools for both Divisions. In 2024 there were over 1,500 participants in the Altro Floors &amp; Walls Continuing Professional Development seminars such as Designing for Inclusivity and Designing for Neurodiversity. The Division also hosted ‘Lunch and Learn’ and ‘Toolbox’ events to share information with customers, as well as holding a Global Transit Conference in July. Members of the Autoglym Technical Services team attended car show events demonstrating cleaning techniques and product training for customers throughout the year.</p> <p>Technical services support for customers remained consistent throughout the year, with the Altro Floors &amp; Walls Technical Team attending sites to assist customers and the Autoglym Technical Services Team spending over 300 days visiting or assisting customers in the UK providing free-of-charge training.</p> <p>Franchisee involvement in product testing and new product development continued in 2024, providing feedback on products and strategies for the coming year. The business also continued to invest in our sales system for the Franchise sector and training was provided by the Autoglym Technical Support Team to the Franchise business, ensuring ongoing in-field support.</p>	<p><b>Outcomes</b></p> <p>In order to enhance our interaction with our customers, Altro Floors &amp; Walls launched a major project in February 2024 to implement a new customer relationship management system which will (amongst other benefits) support our Voice of the Customer programme. The new CRM system was launched in the UK in early 2025 and the global rollout is ongoing.</p> <p>During 2024, Altro Floors and Walls sought feedback from customers through a Brand Perception Survey, the results of which will be available in early 2025 and will help shape the future of the Altro brand.</p> <p>Initiatives instigated by the Altro Floors and Walls Division as a result of customer feedback during 2024, have included:</p> <ul style="list-style-type: none"> <li>• changes to colours in flooring ranges, ShowerKits, Splashbacks and hygienic doorsets;</li> <li>• the launch of three new flooring products for buses in Spring 2024;</li> <li>• changes to our Altro website;</li> <li>• increasing the size of text on some packaging;</li> <li>• Altro Resins working with a raw material supplier to reduce the Minimum Order Quantity to customers.</li> </ul> <p>Autoglym was delighted to achieve a notable reduction in customer complaints in 2024 compared to 2023 and also carried out an in-house customer survey late in the year. In 2024, both Altro Walls and Altro Resins revised their methodology for recording customer complaints to improve efficiency.</p> <p>During 2024 Altro Floors hosted its ‘Inclusive Design For All’ event, focussing on neurodiversity and designing fully inclusive spaces and also held three networking events for Women in Construction.</p> <p>Customers of the Altro Floors &amp; Walls Division honoured us by voting for Altro Limited in the Contract Flooring Journal Awards in September 2024; the Division achieved 7 awards including ‘Manufacturer of the Year’, ‘Sustainability Installation of the Year’ and ‘Installation of the Year’.</p> <p>Autoglym were delighted to be granted Product of the Year in 2024 from the Car Dealer Magazine and Autoglym products came top in several industry product tests.</p>

**Strategic report (continued)**  
**for the year ended 31 December 2024**

Companies Act 2006 Section 172 Statement (continued)

<b>ENVIRONMENT</b>	
<i>As manufacturers of products that involve chemical processing, it is of utmost importance that we respect the environment and take the environmental effect of our products and operations into account.</i>	
<b>Engagement Strategies</b>	<b>Outcomes</b>
<p>As a responsible business, the Board constantly considers the impact of the Group, its locations and products on the environment and considers the environment and sustainability in its capital expenditure decisions. The sustainability of products and materials is also part of our supplier selection process. The Group purchases 100% renewable electricity at its UK sites.</p> <p>The Group aims to make sustainable flooring and for this reason the Group is able to offer up to 20 year guarantees with a number of its flooring products, 30 years for some wall cladding products. The Board has always felt this to be important because of the effect that the ‘throw-away’ culture has on the environment.</p> <p>The majority of Altro Floors and Walls floor and wall cladding products have Environmental Product Declarations and Sustainability Overviews which contain key sustainability facts about each product. Altro Resins also have Environmental Product Declarations for one of its main resin ranges.</p> <p>Within the Group there are various relationships and memberships of industry environmental groups for the Altro Floors and Walls Division, including:</p> <ul style="list-style-type: none"> <li>- VinylPlus (a voluntary commitment of the European PVC industry for sustainable development and recycling) and Vinylplus UK which is run by the British Plastics Federation and affiliated to VinylPlus;</li> <li>- British Plastics Federation’s committees on Sustainability, Product Safety, and Fire Safety and the BPF Net Zero Taskforce;</li> <li>- Membership of the European Resilient Floor Covering Manufacturers Institute Circular Economy Committee and Revinylfloor (recycling) Group;</li> <li>- Contact is maintained with the Construction Product Association’s Sustainability Policy Group;</li> <li>- Industrial Affiliate to the EU Circular Flooring Project.</li> </ul> <p>Autoglym’s memberships include the British Chemicals Association and the Paint Research Association.</p> <p>The main UK trading entity (Altro Limited) maintains ISO 14001 (Environmental Management Systems) accreditation across both Divisions to ensure compliance with environmental standards and to enhance environmental performance. The manufacturing subsidiary in Germany has ISO 14001 accreditation, as well as ISO 50001 accreditation and a number of indoor air quality certifications.</p>	<p>Both Divisions have dedicated Sustainability Steering Groups and Sustainability Managers. During 2024, Altro Floors and Walls published its Sustainability Report and a number of the Division’s employees volunteered to be Sustainability Champions. Autoglym set up a monthly Sustainability Forum to bring together colleagues from across the business. These Groups and individuals are working on areas such as reducing carbon footprint, improving energy efficiency, increasing recycled and bio-sourced content in our products and packaging, and expansion of recycling schemes. Autoglym has started to offer a refill for a trigger spray car care product</p> <p>Altro Floors and Walls has continued to raise awareness of sustainability, launching a sustainability competition, highlighting Earth Day 2024 and emailing sustainability tips. The Division’s Sustainability Foundation Course was completed by over 300 employees globally in 2024.</p> <p>The Group takes seriously the need to find ways to prevent redundant product from being sent to landfill. In 2024, Recofloor (the vinyl flooring take-back scheme that operates in the UK and Ireland co-founded by Altro and Polyflor) celebrated its 15 year anniversary. Since its inception, it has recycled 2,416,667m<sup>2</sup> of installation offcuts and post-consumer waste for recycling into new flooring or traffic calming products such as road cones.</p> <p>An in-house initiative to recycle waste wall cladding products (Recowall) continues to divert waste from landfill and the Altro Walls site recycled nearly 30 tonnes of PVC waste through the Recowall scheme in 2024; Altro Walls also collected and reused over 500 pallets in 2024.</p> <p>We are proud that both Divisions achieved an EcoVadis Committed award (an award in relation to management systems for sustainability) during 2024.</p> <p>(See also the ‘Emissions and energy consumption’ section in the Directors’ report.)</p>

# Strategic report *(continued)*

## for the year ended 31 December 2024

Companies Act 2006 Section 172 Statement *(continued)*

<b>COMMUNITY</b>	
<i>The directors are aware that the Group is reliant on its local communities and owes them all a duty of care when carrying out its operations.</i>	
<b>Engagement Strategies</b>	<b>Outcomes</b>
<p>The Board is proud of the location of its manufacturing sites in Letchworth Garden City and considers carefully the impact they may have on the surrounding area and community. This is also true for all other locations.</p> <p>The Group supports charitable causes through monetary donations, staff time, partnerships and working with community groups. The Group also makes an annual donation of funds and staff time to The Altro Foundation Limited, which is a corporate Foundation with charitable status.</p> <p>The Group allows all staff, in every location worldwide, one day off per year to help out at any charity of their choice and a number of UK staff took up this opportunity in 2024. Staff are encouraged to choose local projects, so that the Group has a positive impact on the local community. The teams at Altro Walls in Lowestoft and Altro Resins in Maiden Newton, Dorset have both carried out beach cleans and Altro Resins helped in painting a local youth centre. In total, employees from the Altro Floors &amp; Walls Division completed over 200 hours of local community volunteering.</p>	<p>Since 2008 the Autoglym Division has made donations of car cleaning products to The Fire Fighters Charity for use by every fire station taking part in their National Car Wash fundraising event. The Autoglym Division also made a cash donation to a local children’s bereavement charity which provides support programmes, information and advice for bereaved families in the local community and schools.</p> <p>The Altro Floors and Walls Division donates flooring to various good causes, which have included a homelessness charity, a food bank and organisations supporting young people. The Division has also provided discounted flooring for a special educational needs school.</p> <p>The Division has also made cash and item donations during 2024 to local charities as well as events such as Macmillan Coffee mornings and allowing fund-raising on site by a local CIC.</p> <p>Our partnership continues with a not-for-profit organisation local to our Letchworth Garden City sites that supports the long-term unemployed through mentoring, courses and providing a drop-in centre. In 2024, we had further opportunities to volunteer at their drop-in centre to provide support sessions on using digital devices, or helping to run day courses on ‘Moving towards Employment’ and ‘Health and Wellbeing’.</p>

**Other matters to which the Board has regard when decision making**

- **Zero Harm**  
Having a happy and healthy environment is vital to our workforce and this is why the Board has asked that Zero Harm is the first item considered at every meeting.
- **Sustainability**  
Considering the most sustainable ways to carry out our processes, procedures and actions will help to benefit us and others for many years to come.
- **The need to constantly innovate**  
Bringing new products to the market benefits customers including distributors, installers and end users, as well as the Group itself.
- **The importance of efficiency**  
Efficient production lines and processes benefit not only the Group, but also customers, employees and the environment.
- **Maintaining the highest levels of quality in everything we do**  
Quality is one of our main principles in both Divisions and is what we believe sets us apart from others.
- **Ensuring systems (mechanical, technological, manual and other) are in place to provide a stable business platform and support efficiency**  
No business can function well without robust systems in place and this is especially true in manufacturing.

# Strategic report *(continued)*

## for the year ended 31 December 2024

### Companies Act 2006 Section 172 Statement *(continued)*

#### Principal Decisions

We define Principal Decisions as those that have a significant impact on the Company and/or Group and/or our stakeholders. Principal Decisions that are currently confidential to the Group are not included in the below list. Any such decision would be included in a future Annual Report if and when confidentiality is no longer a factor. The potential impact of Principal Decisions on stakeholders is assessed in detail by the Board. The Board has had to make many decisions during 2024 and those that are deemed to be Principal Decisions are described below.

#### *i) Expenditure and Borrowing Decisions*

As noted earlier in this report, the Board prioritises the long-term success of the Company for the benefit of its shareholders and other stakeholders. Therefore, during the year the Board balanced the need to be prudent with the need to grow the business for its future strength and take into account the needs of various stakeholder groups. Principal decisions in relation to expenditure have at all times taken into account the impact on stakeholders and have included:

- *the launch of a global cost-saving and waste elimination initiative;*
- *continuing to suspend some discretionary expenditure;*
- *not to offer a buyback of shares;*
- *approval of a variety of capital expenses to strengthen the future of the business;*
- *approval of the 2025 budgets;*
- *making a SIP Award in early 2024 to qualifying staff, but deciding against making an award in 2025; and*
- *awarding a pay increase to employees at the start of 2024.*

#### *ii) Dividend Decisions*

During the year the Board recommended and approved a 2023 final dividend of 7p per share paid in July 2024. An interim dividend of 6p was declared and paid to shareholders in November 2024. In reaching these decisions, the Board considered expectations of both employee and external shareholders, weighed against the need to preserve the long-term success of the Company.

#### *iii) Defined Benefit Pension Scheme (DB Scheme) Deficit Funding*

The Board reviews the DB Scheme deficit on a regular basis and continued to fund the deficit as agreed in the 2017, 2020 and 2023 valuations, contributing £2.8m during the year to 31 December 2024. When continuing with the contribution in 2024, the Board considered the need for prudence, as above, balanced with the needs of pensioners and other stakeholders.

#### *iv) Autoglym Division Acquisition*

During 2023 the Board took a decision in principle to move forward with the acquisition of the Autoglym Division's Australian distributor. The Board approved the completion of the acquisition during 2024 and it was effective from the close of business on 31 May 2024. In making this decision, the Board considered impacted stakeholder groups and the long-term opportunities that securing Autoglym's market share in Australia present for the Group.

#### Current Position

The Group will continue to review its operations, sales and expenditure on an ongoing basis; should the need arise the Board may alter or reverse some of the plans for 2025 and beyond which are outlined in this Strategic report, the Directors' report and other areas of these reports and financial statements. Any such changes will be made with the Group's long-term success in mind, taking into account stakeholders and factors as described above. We again thank all of our stakeholders for their continued support.

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



**A Mitter**  
1 May 2025

## Directors' report

### for the year ended 31 December 2024

The directors present their report and the audited consolidated financial statements of Altro Group Limited (formerly The Altro Group plc) ("the Company") – Company Registration Number: 01493087 – and its subsidiary undertakings (together, "the Group") for the year ended 31 December 2024. The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

D J Kahn*	<i>Ceased to be a Director on 30 January 2024</i>
R J Kahn	<i>Managing Director and Chair</i>
E P Boyle	<i>Director to 31 December 2024, Non-Executive Director from 1 January 2025</i>
P L Caller	
M P Fincham*	
A Mitter	<i>Appointed as a Director on 24 October 2024</i>
A Nelson*	

\*Non-Executive

Financial risk management, principal activities, and the future developments of the business have been discussed in the Strategic report.

#### Dividends

The directors recommend a final dividend of 10p (2023: 7.0p) per share, resulting in a total dividend of 16p (2023: 16.0p) per share for the year. An interim dividend of 6p was paid in November 2024 (July 2023: 4.5p and November 2023: 4.5p).

#### Share capital

During 2024, the Company bought back and cancelled nil (2023: nil) ordinary shares of 10p each (representing 0.0% (2023: 0.0%) of the called-up share capital). No shares (2023: none) were issued during the year. The Company will not seek the approval of shareholders at the Annual General Meeting for the purchase of any of its own shares.

#### Employee Benefit Trust (EBT)

During 2024, the EBT purchased 151,175 (2023: 74,759) ordinary shares for total consideration of £941k (2023: £446k). The financial results of the EBT are incorporated into the consolidated financial statements of the Group and the financial statements of the Company. See note 25 for further information.

#### Statement of employee engagement

##### *Inclusion:*

The Group operates non-discriminatory employment policies which are designed to attract, retain and motivate the very best people, recognising that this can only be achieved through practising equal opportunities regardless of disability, sexual orientation, gender reassignment, pregnancy and maternity, religion or belief, race (including ethnic origin, colour, citizenship, nationality and national origin), marital and civil partnership status, age and gender. For example, applications for employment by disabled persons are always fully considered, focusing on the applicants' aptitudes, experience and abilities for the role and in the event of recruiting a disabled member of staff or an existing member of staff becoming disabled, every effort is made to ensure that appropriate facilities are available, appropriate adjustments are made and training is arranged. It is the policy of the Group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability. During 2024 the Group built on the Diversity, Inclusion and Belonging programme launched in 2023, issuing a formal Policy in February 2024 and carrying out a global employee survey to assist in further strengthening our work in this area.

##### *Retention:*

Staff are encouraged to plan their careers within the Group and to participate in appropriate ongoing training, consistent with the needs of the business. Employees are encouraged to attend internal Management Development Programmes, Leadership short courses covering subjects such as Project Management, Resilience and Change Management and an 'Aspiring Managers' training course, introduced in 2021 and designed to develop new management potential, thereby retaining ambitious employees. At the balance sheet date, 22.3% of UK employees have between 10 and 20 years' continuous service and 17% have more than 20 years' service. We believe this is a reflection of the Group's culture and resulting high levels of employee engagement.

## Directors' report *(continued)* for the year ended 31 December 2024

### Statement of employee engagement *(continued)*

#### *Directors' Engagement with and Regard to Employees:*

The directors engage both directly and indirectly with Group employees, in particular via two Executive Committees. These Executive Committees have a team of international senior managers reporting to them. Together, the members of the Altro Floors and Walls Executive Committee and other senior managers form the Strategic Planning Team for the Altro Floors and Walls Division which meets at least twice a year to contribute to the strategies of the Division. Members of the Altro Floors and Walls Executive Committee meet with all staff within the Division several times a year (in person or virtually) through Team Briefings and Town Hall meetings where they share financial performance information and progress on key strategies. Monthly updates are also given by directors to their individual areas of the business. For the Autoglym Division, the Executive Committee meets with the senior managers on a monthly basis and then cascades information through the various departments or via Town Hall meetings for all Autoglym employees. The Town Hall meetings are usually recorded and made available to anyone who is unable to join the live meeting.

Directors have regard to employees throughout all decision-making processes and the Group prides itself on the care it has for its staff. For example, employee wellbeing is always a priority and Wellbeing, Change Management, Positive Psychology and Psychological Safety Workshops were delivered to a number of managers and teams during 2024. Wellbeing is also highlighted during employee induction sessions, and new employees attend training in 'Zero Harm', 'Stress Management' and 'Diversity, Inclusion and Belonging at work'. Staff are supported by an Employee Assistance Programme, Dignity at Work Coaches, Mental Health First Aiders, the HR team and Occupational Health. The Employee Support Hub continues to provide support to staff by allowing easier access, both on personal and work devices, to wellbeing information. A new Sustainability Foundation course was introduced late in 2023 to add to existing Sustainability courses and other iLearn training covering subjects such as Diversity, Inclusion and Belonging at work, Zero Harm and Health and Safety Training in Fire Safety, Manual Handling and Cyber Security alongside function specific training. In 2024, over 2,700 iLearn courses were completed by employees. In addition to iLearn, a new initiative called Learning Live was developed during the second half of 2024; employees can join a live training webinar on a variety of subjects or access a recording of the webinar as part of on-going training. Learning Live was launched in the UK in early January 2025 and will be rolled out globally later in 2025. Apprenticeships are also a key part of employee development and we were delighted that 19 employees successfully completed Level 2 Lean Manufacturing Operative apprenticeships.

As part of our commitment to employee safety, the Zero Harm programme has continued to be a focus during 2024. Altro Floors also instigated a "Stop, Think and Stay Safe: Mastering Machinery Safety" initiative in October 2024. Altro Walls and Altro Resins have implemented the internationally recognised 5S methodology which focuses on a safe and clear work environment as well as quality, productivity and morale.

*See also Companies Act 2006 Section 172 Statement (e) The desirability of the Company maintaining a reputation for high standards of business conduct.*

#### *i) Information*

The Group promotes an open and honest culture and employees are informed of decisions that are relevant to them as soon as practical. The Group uses an intranet site for many of these communications, but also cascades information through the management structure ahead of intranet announcements. This is to ensure a personal touch in delivering information and allowing for questions to be answered.

The business operates as two primary Divisions and has several subsidiaries. Divisions and subsidiaries are able to develop the most appropriate internal communications for their area of the business, whilst operating within a communications framework for the entire Group that ensures all employees are systematically provided with relevant information on matters that may impact them as employees. Therefore, all employees receive regular updates on the Group's strategies, policies and results.

#### *ii) Consultation*

The Group has taken appropriate steps during the financial year to introduce, develop and maintain arrangements aimed at consulting employees or their representatives on a regular basis so that the views of employees can be taken into account when making decisions that are likely to affect their interests. Regular global employee surveys are now carried out and all employees, both in the UK and internationally, can use an online platform to give confidential feedback on any work matter and to give praise and thanks to colleagues.

## Directors' report *(continued)* for the year ended 31 December 2024

### Statement of employee engagement *(continued)*

#### *ii) Consultation (continued)*

Both Divisions carried out a global employee survey during 2024, with Altro Floors and Walls carrying out a short global 'Pulse' survey in April 2024. Areas for improvement are considered by the Executive Committees, with the overall outcomes communicated to employees via managers, both in the UK and the international regions. The Diversity, Inclusion and Belonging survey in 2024 was extended globally to cover all employees of the Group and it is planned to roll out the Diversity, Inclusion and Belonging Policy internationally in 2025.

More generally, consultation of employees has continued throughout the year with questions being answered by Board members at several of the meeting forums outlined above. Generally, these questions can be submitted to a nominated member of staff either before or during meetings so that they can be delivered to Board members anonymously; this is to encourage open and honest questions and feedback. Both Divisions have an online feedback system that allows staff to submit questions or observations anonymously to HR at any time, and these are sent on to the respective CEO or Executive Committee as appropriate.

#### *iii) Direct Engagement*

All of the Executive directors deliver either 'Cascade', 'Team' or 'Town Hall' briefings to their areas of the business and each of these includes a Q&A session at the end, where direct feedback can be given by employees. Richard Kahn, as Managing Director of the Group also engages directly with every global team, delivering an update on financial results and other performance KPIs in June and December of each year.

#### *iv) Employee Involvement in Company Performance*

After a qualifying period, UK employees can be invited to join a Share Incentive Plan (SIP). Free shares are awarded at the discretion of the Board in recognition of the importance of encouraging employees to be involved in the Group's performance. A SIP award was granted to employees in early 2024 but the Board made the decision in late 2024 not to make a further award during early 2025. The majority of UK staff remain SIP members and therefore receive all the same financial information that is disseminated to shareholders.

Financial results are shared with employees on a regular basis in both Divisions through a variety of meetings and reports.

(See also the 'Employee Benefit Trust (EBT)' section above.)

#### *v) Common Awareness*

Information on financial performance is provided through a variety of means, as detailed above, and by giving a specific platform to employees to discuss information and to ask questions at the Cascade, Team and Town Hall briefings. This enables the directors to ensure there is a common awareness amongst employees of the financial and economic factors affecting the Group.

#### *Decisions Affecting Employees:*

Some of the decisions taken during the year that have taken employee interests into consideration are outlined above and are also as follows:

- The Board has continued to pay for an external Employee Assistance Programme for all employees globally to access advice on a range of welfare and financial topics free of charge.
- A Carers Leave Policy was introduced in March 2024 to help those who are trying to balance the demands of caring, work, and looking after their own health.
- The Group supported initiatives such as Men's Health (including Movember), World Menopause Day, World Mental Health Day, Breast Cancer Awareness Week and marked events such as Pride Week and National Inclusion Week, Black History and South Asian Heritage months amongst others.
- Monthly HR Bulletins are emailed to all UK employees with details of new starters and leavers, vacancies, events, and training courses.
- Funding for the Employee Benefit Trust continued during the year.

## Directors' report *(continued)* for the year ended 31 December 2024

### Statement of employee engagement *(continued)*

For more detail and other examples of how employee interests have been taken into account when making decisions, please see the Principal Decisions outlined in the Section 172 Statement in the Strategic report, which is incorporated into this Directors' report by reference and forms an integral part of this report.

#### Thanks

Our success is due to the teamwork and co-operation of the people within the Group. The directors thank all those who have worked hard and made such a valuable contribution during the year. The Group continues to develop and maintain a culture which encourages long service and we are proud that so many employees choose to remain with us over many years.

### Stakeholder Engagement (Suppliers, Customers and Others)

For information regarding how the directors have engaged with stakeholders, such as suppliers, customers and others during the financial year, including the effect of that regard on Principal Decisions taken during the year, please see the Section 172 Statement in the Strategic report, which is incorporated into this Directors' report by reference and forms an integral part of this report.

### Research and development

Research and development ("R&D") remains at the forefront of our vision for the future and our strength and depth in this area are essential parts of our business.

During 2024, the Autoglym Division continued to invest in its R&D facility through the investment of new equipment to assist in strengthening our technical expertise and provide the ability to evidence the efficacy of our products. For new products, we continue to engage with customers during product development testing, attend numerous trade shows across the industry and increase interaction with our international network.

Within Altro Floors and Walls, R&D continued to look into ways to make current products more environmentally friendly, either in the way they are made or how they can be recycled. This forms part of our wider environmental and operational efficiency programmes.

All research and development expenditure is charged to the profit and loss account as incurred.

### Directors' liability insurance

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 is currently in force. The Group also purchased and maintained throughout the financial year, Directors' and Officers' liability insurance in respect of Altro Group Limited (formerly The Altro Group plc) and its directors.

### Emissions and energy consumption

In line with current UK reporting guidelines, the following table details the Group's UK emissions and energy consumed in the year ended 31 December. The information has been prepared using the reporting guidance and rules set out by SECR (Streamlined Energy and Carbon reporting).

	<b>Total UK energy consumption (kWh):</b>		<b>Total UK emissions (Tonnes of CO<sub>2</sub>e):</b>	
	<b>Year ended 31 December 2024</b>	<b>Year ended 31 December 2023</b>	<b>Location based 2024</b>	<b>Location based 2023</b>
Scope 1: Gas and other fuels	<b>10,269,106</b>	9,275,824	<b>1,898</b>	1,713
Scope 1: Transportation	<b>1,273,794</b>	1,470,111	<b>288</b>	332
Scope 2: Grid-supplied electricity	<b>5,576,658</b>	5,487,255	<b>1,155</b>	1,137
<b>Total</b>	<b>17,119,558</b>	16,233,190	<b>3,341</b>	3,182
<b>Intensity metric: (Tonnes of CO<sub>2</sub>e/£m UK Turnover)</b>			<b>25.8</b>	25.0

# Directors' report *(continued)*

## for the year ended 31 December 2024

### Emissions and energy consumption *(continued)*

#### *Energy efficiency action*

The Group is committed to year-on-year improvements in its operational energy efficiency. A register of energy efficiency measures has been compiled, with a view to implementing these measures over the next five years. In 2024, a number of initiatives were undertaken to improve energy efficiency including chillers upgrades, replacement of LPG based forklifts, smart meter installations and the roll out of LED lighting.

#### *Report Methodology*

Scope 1 and 2 consumption and CO<sub>2</sub>e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following emission factor databases have been used to provide the kWh gross calorific value (CV) and kgCO<sub>2</sub>e relevant for the reporting year: Database 2024, Version 1.1.

Estimations undertaken to cover missing billing periods for UK properties directly invoiced to Group companies were calculated on a kWh/day pro-rata basis at meter level. These estimations equated to 1% of reported consumption.

For properties where the Group is indirectly responsible for utilities (i.e. via a landlord or service charge) an average kWh/m<sup>2</sup> consumption was calculated at meter level and was applied to the properties with similar operations but where no data is available. Intensity metrics have been calculated utilising the 2024 reportable figures.

### **Group pension schemes**

The future of our pension schemes is underpinned by the knowledge that a strong and successful Group should ensure that pension obligations can be met today and in the future.

The Defined Benefit Pension Scheme (the "DB Scheme") was closed to future accrual on 31 March 2014. All members became deferred and the link to final salary was broken. Employees who were previously members of the DB Scheme have chosen to become members of a Defined Contribution Pension Scheme.

During the year the Group made a special contribution of £2.8m (2023: £2.8m) to the DB Scheme in line with the triennial funding plan agreed with the Pension Trustees.

See the Strategic report for more detail on how the Board considers its pensioners.

### **Charitable and political donations**

The Group contributed £193k (2023: £125k) for charitable purposes. There were no political contributions (2023: nil).

### **Auditors' Limited Liability Agreement**

As in 2023, the auditors' liability to damages for breach of duty in relation to the audit of the Group's financial statements for the year to 31 December 2024 was limited to the greater of £5 million or 5 times the auditors' fees, and that in any event the auditors' liability for damages be limited to that part of any loss suffered by the Group as is just and equitable having regard to the extent to which the auditors, the Group and any third parties are responsible for the loss in question. The shareholders approved this limited liability agreement, as required by the Companies Act 2006, in the Annual General Meeting held on 18 June 2024.

### **Going Concern**

In arriving at their decision to prepare these financial statements on the going concern basis, the directors have reviewed the Group's budget, forecasts and cashflow projections for 2025 and 2026, including proposed capital expenditure, and compared these with the Group's cash holdings, its committed borrowing facilities and projected gearing ratios.

Overall, the Group benefits from a strong financial position, with minimal external borrowing and significant liquidity. As at 31 December 2024 the Group had liquid resources of £14.4m (2023: £16.5m) comprising cash and cash equivalents. In addition there is an agreed overdraft facility of £5.0m (2023: £6.0m). This was reduced to £5.0m in 2024 following a review of the company's facility requirements and fees by the Board. The facility was not utilised during the year (2023: not utilised).

The directors believe that the Group has adequate resources to continue in operational existence for at least, but not limited to, twelve months from the date of approving these financial statements and so continue to adopt the going concern basis.

## **Directors' report** *(continued)* **for the year ended 31 December 2024**

### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 United Kingdom Accounting Standards, comprising FRS 102, 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 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 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.

### **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 and 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 and Company's auditors are aware of that information.

### **Independent auditors**

PricewaterhouseCoopers LLP have expressed their willingness to continue as auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

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



**A Mitter**  
1 May 2025

# **Independent auditors' report to the members of Altro Group Limited (formerly known as The Altro Group plc) for the year ended 31 December 2024**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion, Altro Group Limited's (formerly known as The Altro Group plc) 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 31 December 2024 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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 consolidated financial statement (the "Annual Report"), which comprise: the consolidated balance sheet and the company balance sheet as at 31 December 2024; the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the company statement of changes in equity, and the consolidated statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### **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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

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.

# **Independent auditors' report to the members of Altro Group Limited (formerly known as The Altro Group plc) *(continued)* for the year ended 31 December 2024**

## **Reporting on other information *(continued)***

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 31 December 2024 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.

## **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 in respect of the financial statements, 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 employment legislation, 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 tax legislation and the Companies Act 2006. 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 accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

# Independent auditors' report to the members of Altro Group Limited (formerly known as The Altro Group plc) *(continued)* for the year ended 31 December 2024

## Auditors' responsibilities for the audit of the financial statements *(continued)*

- discussions with management and those charged with governance, including known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluation of management's controls designed to prevent and detect irregularities;
- identifying and testing journal entries meeting specified criteria considered to be unusual or indicative of potential fraud;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- reviewing meeting minutes, including those of the board of directors; and
- testing the appropriateness of key accounting estimates made by management

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.

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](http://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.



### Claire Lake (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cambridge  
2 May 2025

## Consolidated Profit and Loss Account for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Turnover</b>	5	174,633	173,536
Cost of sales		(79,591)	(81,302)
<b>Gross profit</b>		95,042	92,234
Distribution costs		(45,441)	(44,662)
Administrative expenses		(42,768)	(40,845)
Other operating income		1,269	1,245
<b>Operating profit</b>		8,102	7,972
Interest receivable and similar income	8	441	846
Interest payable and similar expenses	8	(146)	(66)
<b>Profit before taxation</b>	6	8,397	8,752
Tax on profit	9	(2,404)	(1,778)
<b>Profit for the financial year</b>		5,993	6,974

All the above results derive from continuing operations.

## Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Profit for the financial year</b>		5,993	6,974
<b>Other comprehensive expense:</b>			
Currency translation differences arising on consolidation		(808)	(1,147)
Remeasurements of net Defined Benefit Pension Scheme balance	22	(2,337)	(13,078)
Total tax (expense) / credit on components of other comprehensive expense	9	(116)	2,570
<b>Other comprehensive expense for the year, net of tax</b>		(3,261)	(11,655)
<b>Total comprehensive income / (expense) for the year</b>		2,732	(4,681)
<b>Earnings per share</b>	11		
Basic		37.6p	43.6p
Diluted		37.5p	43.6p

# Consolidated Balance Sheet

as at 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Fixed assets</b>			
Intangible assets	12	2,468	1,416
Investment property	13	734	828
Tangible assets	14	36,848	36,226
		<b>40,050</b>	<b>38,470</b>
<b>Current assets</b>			
Inventories	16	33,063	32,885
Defined Benefit Pension Scheme asset	22	6,338	5,563
Debtors: amounts falling due after more than one year	17	-	49
Debtors: amounts falling due within one year	18	24,378	22,543
Cash at bank and in hand		18,540	19,074
		<b>82,319</b>	<b>80,114</b>
<b>Creditors: amounts falling due within one year</b>	<b>19</b>	<b>(25,254)</b>	<b>(21,694)</b>
<b>Net current assets</b>		<b>57,065</b>	<b>58,420</b>
<b>Total assets less current liabilities</b>		<b>97,115</b>	<b>96,890</b>
Creditors: amounts falling due after more than one year		(756)	(1,055)
Provisions for liabilities	20	(1,083)	(499)
<b>Net assets</b>		<b>95,276</b>	<b>95,336</b>
<b>Capital and reserves</b>			
Called up share capital	26	1,657	1,657
Share premium account		7,218	7,218
Other reserves		(3,700)	(2,768)
Retained earnings		90,101	89,229
<b>Total equity</b>		<b>95,276</b>	<b>95,336</b>

The notes on pages 30 to 62 are an integral part of these financial statements.

The financial statements on pages 24 to 62 were approved by the Board on 1 May 2025 and signed on its behalf by



**R J Kahn**

Managing Director

# Company Balance Sheet

as at 31 December 2024

	Note	2024 £'000	2023 £'000
<b>Fixed assets</b>			
Tangible assets	14	21,745	22,434
Investments	15	13,280	13,357
		<b>35,025</b>	35,791
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	17	719	587
Debtors: amounts falling due within one year	18	1,528	1,315
Cash at bank and in hand		7,548	6,812
		<b>9,795</b>	8,714
<b>Creditors: amounts falling due within one year</b>	19	<b>(3,087)</b>	(3,070)
<b>Net current assets</b>		<b>6,708</b>	5,644
<b>Total assets less current liabilities</b>		<b>41,733</b>	41,435
<b>Net assets</b>		<b>41,733</b>	41,435
<b>Capital and reserves</b>			
Called up share capital	26	1,657	1,657
Share premium account		7,218	7,218
Other reserves		(3,700)	(2,768)
Retained earnings			
- At 1 January		35,328	34,490
- Profit for the financial year		3,093	2,575
- Other changes in retained earnings		(1,863)	(1,737)
Total retained earnings		36,558	35,328
<b>Total equity</b>		<b>41,733</b>	41,435

The notes on pages 30 to 62 are an integral part of these financial statements.

The financial statements on pages 24 to 62 were approved by the Board on 1 May 2025 and signed on its behalf by



**R J Kahn**  
Managing Director

# Consolidated Statement of Changes in Equity

## for the year ended 31 December 2024

	Called up share capital £'000	Share premium account £'000	Other reserves		Retained earnings £'000	Total equity £'000		
			Capital redemption reserve £'000	Own shares £'000				
<b>The Group</b>								
Balance as at 1 January 2023	1,657	7,218	1,071	(3,793)	95,647	101,800		
Profit for the financial year	-	-	-	-	6,974	6,974		
Other comprehensive expense for the year	-	-	-	-	(11,655)	(11,655)		
<b>Total comprehensive expense for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,681)</b>	<b>(4,681)</b>		
Dividends paid (note 10)	-	-	-	-	(1,436)	(1,436)		
Purchase of own shares for the SIP	-	-	-	-	(332)	(332)		
Purchase of own shares by the EBT	-	-	-	(446)	-	(446)		
Disposal of own shares by the EBT	-	-	-	400	(61)	339		
Increase in reserves arising from share-based payments	-	-	-	-	92	92		
<b>Total transactions with owners, recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(46)</b>	<b>(1,737)</b>	<b>(1,783)</b>		
<b>Balance as at 31 December 2023</b>	<b>1,657</b>	<b>7,218</b>	<b>1,071</b>	<b>(3,839)</b>	<b>89,229</b>	<b>95,336</b>		
Balance as at 1 January 2024	1,657	7,218	1,071	(3,839)	89,229	95,336		
Profit for the financial year	-	-	-	-	5,993	5,993		
Other comprehensive expense for the year	-	-	-	-	(3,261)	(3,261)		
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,732</b>	<b>2,732</b>		
Dividends paid (note 10)	-	-	-	-	(2,064)	(2,064)		
Purchase of own shares for the SIP	-	-	-	-	-	-		
Purchase of own shares by the EBT	-	-	-	(941)	-	(941)		
Disposal of own shares by the EBT	-	-	-	9	(2)	7		
Increase in reserves arising from share-based payments	-	-	-	-	206	206		
<b>Total transactions with owners, recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(932)</b>	<b>(1,860)</b>	<b>(2,792)</b>		
<b>Balance as at 31 December 2024</b>	<b>1,657</b>	<b>7,218</b>	<b>1,071</b>	<b>(4,771)</b>	<b>90,101</b>	<b>95,276</b>		

# Company Statement of Changes in Equity

## for the year ended 31 December 2024

	Other reserves					Total equity £'000					
	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Own shares £'000	Retained earnings £'000						
<b>The Company</b>											
Balance as at 1 January 2023	1,657	7,218	1,071	(3,793)	34,490	40,643					
Profit for the financial year	-	-	-	-	2,575	2,575					
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,575</b>	<b>2,575</b>					
Dividends paid (note 10)	-	-	-	-	(1,436)	(1,436)					
Purchase of own shares for the SIP	-	-	-	-	(332)	(332)					
Purchase of own shares by the EBT	-	-	-	(446)	-	(446)					
Disposal of own shares by the EBT	-	-	-	400	(61)	339					
Capital contribution arising from share-based payments	-	-	-	-	92	92					
<b>Total transactions with owners, recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(46)</b>	<b>(1,737)</b>	<b>(1,783)</b>					
<b>Balance as at 31 December 2023</b>	<b>1,657</b>	<b>7,218</b>	<b>1,071</b>	<b>(3,839)</b>	<b>35,328</b>	<b>41,435</b>					
Balance as at 1 January 2024	1,657	7,218	1,071	(3,839)	35,328	41,435					
Profit for the financial year	-	-	-	-	3,093	3,093					
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,093</b>	<b>3,093</b>					
Dividends paid (note 10)	-	-	-	-	(2,064)	(2,064)					
Purchase of own shares for the SIP	-	-	-	-	-	-					
Purchase of own shares by the EBT	-	-	-	(941)	-	(941)					
Disposal of own shares by the EBT	-	-	-	9	(2)	7					
Capital contribution arising from share-based payments	-	-	-	-	203	203					
<b>Total transactions with owners, recognised directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(932)</b>	<b>(1,863)</b>	<b>(2,795)</b>					
<b>Balance as at 31 December 2024</b>	<b>1,657</b>	<b>7,218</b>	<b>1,071</b>	<b>(4,771)</b>	<b>36,558</b>	<b>41,733</b>					

## Consolidated Statement of Cash Flows

### for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Net cash inflow from operating activities	27	10,292	13,264
Taxation paid		(1,818)	(947)
<b>Net cash generated from operating activities</b>		<b>8,474</b>	<b>12,317</b>
<b>Cash flow from investing activities</b>			
Purchase of subsidiary (net of cash acquired)	28	(2,767)	-
Purchase of intangible assets	12	(425)	(56)
Purchase of tangible assets	14	(3,993)	(3,761)
Proceeds from disposals of tangible assets		-	30
Receipt from repayment of loan to a connected party	17	-	700
Loan made to a connected party	17	-	(50)
Interest received		128	73
<b>Net cash used in investing activities</b>		<b>(7,057)</b>	<b>(3,064)</b>
<b>Cash flow from financing activities</b>			
Receipt from bank and term loan facility		164	1,607
Repayment of bank and term loan facility		(313)	(187)
Dividends paid to owners of the parent	10	(2,064)	(1,436)
Interest paid		(146)	(66)
Sale of own shares by the EBT (net of costs of issue)		7	339
Purchase of own shares by the EBT and for the SIP		(941)	(778)
<b>Net cash used in financing activities</b>		<b>(3,293)</b>	<b>(521)</b>
Net (decrease) / increase in cash and cash equivalents		(1,876)	8,732
Cash and cash equivalents at the beginning of the year		16,516	7,985
Exchange loss on cash and cash equivalents		(211)	(201)
<b>Cash and cash equivalents at the end of the year</b>		<b>14,429</b>	<b>16,516</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		18,540	19,074
Overdrafts and short-term borrowings	19	(4,111)	(2,558)
<b>Cash and cash equivalents</b>		<b>14,429</b>	<b>16,516</b>

# Notes to the Consolidated Financial Statements

## for the year ended 31 December 2024

### 1 General information

Altro Group Limited ("the Company"), formerly known as The Altro Group plc, and its subsidiaries (together "the Group") manufacture, market and sell safety and other flooring, wall systems, resin systems and vehicle care and car wash products. The Group trades internationally and operates with a number of recognised brand names.

The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England. The address of the registered office is Works Road, Letchworth Garden City, Hertfordshire, SG6 1NW.

### 2 Statement of compliance

The Group and individual financial statements of Altro Group Limited (formerly The Altro Group plc) have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### 3 Accounting policies

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

#### (a) Basis of accounting

The financial statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of investment properties and certain financial assets and liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006. The principal accounting policies, which have been applied consistently to all periods, are set out below.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

The Company has also taken advantage of the exemption in Section 408 of the Companies Act 2006 from disclosing its individual profit and loss account.

#### (b) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company shareholders.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company cash flows;
- (ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A as the information is provided in the consolidated financial statements disclosures;
- (iii) from disclosing share-based payment arrangements, required under FRS 102 paragraphs 26.18(c), 26.19 to 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein;
- (iv) from disclosing transactions with other wholly owned Group companies as stated in paragraph 33.1A of FRS 102: Related party disclosures.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 3 Accounting policies *(continued)*

#### (c) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings up to 31 December.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Where a subsidiary has different accounting policies to the Group, adjustments are made to those subsidiary financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

The Company has an established Employee Benefit Trust ("EBT") to which it is the sponsoring entity. Notwithstanding the legal duties of the trustees, the Company considers that it has 'de facto' control. The EBT is accounted for as assets and liabilities of the Company and is included in the consolidated financial statements. The Company's equity instruments held by the EBT are accounted for as if they were the Company's own equity and are treated as treasury shares. No gain or loss is recognised in profit or loss or Other comprehensive income on the purchase, sale or cancellation of the Company's own equity held by the EBT.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

#### (d) Foreign currency

##### *(i) Functional and presentational currency*

The Group's financial statements are presented in pound sterling and rounded to the nearest thousand. The Company's functional and presentational currency is pound sterling.

##### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the date of each transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities, denominated in foreign currencies, are recognised in the profit and loss account.

##### *(iii) Translation*

The trading results of Group undertakings are translated into pound sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings, including goodwill and fair value adjustments arising on acquisition, are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in Other comprehensive income as currency translation differences on consolidation.

#### (e) Capital contributions

In accordance with FRS 102 section 26: Share-based payment, as the Company has granted rights over its equity instruments to the employees of Altro Limited, there is a corresponding increase recognised in the investment in the subsidiary.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 3 Accounting policies *(continued)*

#### (f) Goodwill and intangible assets

Goodwill, being the difference between the fair value and the directly attributable costs of the purchase consideration over the fair value of the Group's investment in the identifiable net assets, liabilities and contingent liabilities acquired, is included in the balance sheet in accordance with FRS 102 section 19: Business combinations and goodwill. Purchases of intangible assets are included in the balance sheet at cost less accumulated amortisation. Goodwill and intangible assets are amortised in equal instalments over their estimated useful economic lives.

The annual rates used for intangible assets are:

- Goodwill - 5% to 10%
- Franchise - 5%
- Computer Software - 10% to 33%

The useful economic lives are reviewed annually and revised if necessary. Goodwill is assessed for impairment when there are indicators of impairment, and any impairment is charged to the consolidated profit and loss account. No reversals of impairment are recognised. Amortisation and impairment losses are recognised in the profit and loss account under administration expenses.

#### (g) Investments - Company

Investments in subsidiaries are held at cost less accumulated impairment losses.

#### (h) Tangible assets and depreciation

The cost of tangible assets is their purchase cost or deemed purchase cost, together with any related incidental costs of acquisition. Depreciation is provided evenly on the cost (or valuation where appropriate) of tangible assets to write them down to their estimated residual values over their expected useful economic lives. No depreciation is provided on freehold and long leasehold land and assets under construction.

The annual rates used for other assets are:

- freehold and long leasehold buildings - 2.5%;
- short leasehold buildings - 5% or term if under twenty years; and
- plant, equipment (including computer hardware) and vehicles - 10% to 50% according to type of asset.

An impairment review is completed where there is evidence of impairment, fixed assets are written down to their recoverable amount. Impairment losses are recognised in the profit and loss account under administration expenses. Any reversal of impairment is recognised as a credit to the profit and loss account.

Assets in the course of construction are stated at cost. These assets are not depreciated until available for use.

#### (i) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and Total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 3 Accounting policies *(continued)*

#### (j) Inventories

Stocks are stated at the lower of cost and net realisable value. Cost is determined on either the first in, first out (FIFO) method or weighted average as appropriate. Cost represents all direct costs incurred in bringing stocks to their present state and location, including an appropriate proportion of manufacturing overheads. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

#### (k) Financial instruments

The Group has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *(i) Financial assets*

Basic financial assets, including trade, loan and other receivables and cash at bank and in hand, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest rate method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### *(ii) Financial liabilities*

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow Group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Derivatives, including foreign currency swaps and forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. Changes in the fair value of derivatives are recognised in the profit and loss account.

Financial liabilities are derecognised when the liability is extinguished, i.e. when the contractual obligation is discharged, cancelled or expires.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 3 Accounting policies *(continued)*

#### **(k) Financial instruments** *(continued)*

##### *(iii) Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **(l) Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and where the amount of the obligation can be reliably estimated.

#### **(m) Turnover**

The Group manufactures, markets, and sells a range of different products as detailed within the Principal activities section of the Strategic report. Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Group and value added taxes.

The Group recognises turnover when (a) the significant risks and rewards of ownership have been transferred to the buyer, normally at the point of dispatch; (b) the Group retains no continuing involvement or control over the goods; (c) the amount of turnover can be measured reliably; and (d) it is probable that future economic benefits will flow to the Group.

#### **(n) Research and development**

Research and development expenditure is charged to the profit and loss account as incurred.

#### **(o) Employee benefits**

The Group provides a range of benefits to employees, including paid holiday arrangements, share based payment plans and pension schemes.

##### *(i) Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

##### *(ii) Defined Benefit Pension Scheme*

The Group operates a Defined Benefit Pension Scheme (“DB Scheme”) in the UK, closed to new members in 2005 and to future accrual in 2014, the costs of which are assessed in accordance with the advice of an independent qualified actuary.

Pension costs for the DB Scheme have been accounted for in accordance with FRS 102 section 28: Employee benefits. The assets of the DB Scheme are measured at current bid price, and the liabilities using a projected unit method and discounted at a high quality corporate bond rate.

The DB Scheme asset or liability is recognised in full on the balance sheet, with the associated deferred tax liability or asset recognised separately. The cost charged to operating profit is the service cost of the DB Scheme. The interest costs are included in the net finance charge or income in the profit and loss account. Actuarial gains or losses are recognised in Other comprehensive income.

##### *(iii) Defined Contribution Pension Schemes*

The Group also operates a number of Defined Contribution Pension Schemes (“DC Schemes”). The pension costs for the DC Schemes represent contributions payable by the Group in the year.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 3 Accounting policies *(continued)*

#### (o) Employee benefits *(continued)*

##### *(iv) Share-based payment*

The Group issues share options to certain employees. The fair value of equity-settled share-based payments is measured at the date of the grant. The fair value of cash-settled share-based payments is remeasured at the end of each year. The charge, based on fair value and the Group's estimation of shares that will eventually vest, is expensed on a straight line basis over the vesting period.

The calculation of the fair value of the share options issued by the Group has been based on the Black-Scholes valuation model, using a number of subjective assumptions, the most significant of which is that the expected volatility of the Group's share valuation will be 30%.

The Group operates a Share Incentive Plan on which it is also required to recognise a compensation charge under FRS 102 section 26: Share-based payment, calculated as detailed above.

Employer's National Insurance contributions arise on the exercise of certain share options. A provision for National Insurance contributions on share option gains is made based on the difference between the market price of the Company's shares at the balance sheet date and the option exercise price, spread pro-rata over the vesting period of the options.

#### (p) Operating leases

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

#### (q) Dividends

In accordance with FRS 102 section 32: Events after the end of the reporting period, dividends proposed after the balance sheet date are not charged to the profit and loss account in the year.

Dividend income will be recognised when the Company's right to receive payment has been established. The Company's right to an interim dividend is established when it is paid, and the right to a final dividend is established when it is declared in a general meeting. If the right to the dividend cannot be established until the income is received, recognition will be delayed until then.

#### (r) Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the weighted average number of shares held by the Employee Benefit Trust.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has one class of dilutive potential ordinary shares, namely share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year.

#### (s) Investment Property

Investment property, principally office buildings, is property held to earn rentals and/or for capital appreciation. It is initially recognised at cost, which includes the purchase costs and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The fair value estimate has been determined by our advisers using discounted cashflow projections based on reliable estimates of future cashflows. The surplus or deficit on revaluation is recognised in the profit and loss account.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 3 Accounting policies *(continued)*

#### **(t) Other operating income**

##### *Government grants*

Government grants are recognised by the Group when there is reasonable assurance that the conditions attaching to them will be met, and that the grants will be received. The Group has adopted the accruals model, which requires the grant income to be matched against the related costs for which the grant is intended to compensate. Grant income is presented gross in the profit and loss account within Other operating income.

#### **(u) Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **(v) Business combinations**

Business combinations are accounted for by applying the purchase method of accounting. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

Contingent consideration is initially recognised at estimated amounts where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the Group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

On acquisition, goodwill is allocated to cash-generating units ('CGUs') that are expected to benefit from the combination.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 4 Critical accounting judgements and estimation uncertainty

#### Key accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a substantial risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

#### Defined Benefit Pension Scheme

Although the Defined Benefit Pension Scheme ("DB Scheme") is closed to future accrual, the Group has an obligation to fund the Scheme. The present value of the asset/obligation depends on a number of factors, including: life expectancy, asset valuations, inflation rates and the discount rates for DB Scheme liabilities. Management estimates these factors, with recommendations from an independent actuary, in determining the net pension obligation in the balance sheet. Within the calculations, if the discount rate were to be reduced by around 0.1% p.a. the impact would increase the pension obligation by roughly 1.5%.

The assumptions reflect historical experience and current trends.

#### Impairment of goodwill

The Company considers whether goodwill is impaired when there is a material impairment trigger. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

#### Inventory provisioning

The Group manufactures, markets, and sells a range of different products as detailed within the Principal activities section of the Strategic report. These are subject to changing consumer demands, and as a result it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 16 for the net carrying amount of the inventory and associated provision.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 5 Turnover

Turnover by geographical area was:

Territory	2024		2023	
	£'000	%	£'000	%
United Kingdom	84,471	48	87,797	51
Continental Europe	22,997	13	23,625	14
The Americas	48,147	28	47,518	27
Australia and Asia Pacific	14,967	9	10,614	6
Rest of world	4,051	2	3,982	2
	<b>174,633</b>	<b>100</b>	<b>173,536</b>	<b>100</b>

Turnover is comprised of revenue from the sale of goods.

### 6 Profit before taxation

The profit before taxation is arrived at after charging / (crediting):

	2024	2023
	£'000	£'000
Amortisation of intangible assets	352	255
Depreciation of tangible assets	3,098	3,528
Loss on disposal of tangible fixed assets	26	466
(Reversal of impairment) / impairment of inventory	(1,387)	943
(Reversal of impairment) / impairment of trade receivables	(202)	238
Research and development	1,922	2,108
Operating lease charges	2,750	2,860
Government grants (included within Other operating income)	(844)	(852)
Foreign exchange loss	332	133
Fees payable to the Company's auditors for the audit of the Company and consolidated financial statements	195	137
Fees payable to the Company's auditors and their associates for other services:		
- the audit of the Company's subsidiaries	85	83
- tax compliance services	51	59
- tax advisory services	103	105
Total amount payable to the Company's auditors and their associates	<b>434</b>	<b>384</b>

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 7 Employees and directors

#### Group employees

The average monthly number of Group employees, including directors, during the year was:

	2024	2023
	Number	Number
Manufacturing	210	201
Sales and marketing	302	327
Warehouse and distribution	97	101
Administration and management	258	241
	<b>867</b>	870

Employee costs, including directors, during the year were:

	2024	2023
	£'000	£'000
Wages and salaries	48,598	44,707
Social security costs	5,122	4,754
Other pension costs	1,921	1,864
Employee share schemes (note 24)	(77)	547
	<b>55,564</b>	51,872

All staff are employed by subsidiaries within the Group. The Company has no employees (2023: nil).

#### Directors

The directors' emoluments were as follows:

	2024	2023
	£'000	£'000
Aggregate emoluments	1,912	1,731
Defined Contribution Pension Scheme contributions	197	186
	<b>2,109</b>	1,917

Contributions were made to a Defined Contribution Pension Scheme on behalf of two directors (31 December 2023: one) in the year ended 31 December 2024.

During the year 76,264 (2023: 56,572) phantom options were awarded to the directors and none (2023: none) were exercised.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 7 Employees and directors *(continued)*

#### Highest paid director

	2024 £'000	2023 £'000
Highest paid director:		
Aggregate emoluments	974	810
Defined Contribution Pension Scheme contributions	186	186
	<b>1,160</b>	<b>996</b>

The amount of the accrued pension in the DB Scheme of the highest paid director at 31 December 2024 is £192k (2023: £185k). No approved share options (2023: none) and no phantom share options (2023: none) were exercised by the highest paid director in the year.

#### Key management

The directors are considered to be the key management. The compensation paid or payable to the key management has been included in the schedule for directors.

### 8 Net interest income

	2024 £'000	2023 £'000
Interest receivable and similar income:		
short term deposits	96	41
other	32	32
finance income on DB Scheme assets (note 22)	313	773
<b>Interest receivable and similar income</b>	<b>441</b>	<b>846</b>
Interest payable and similar expenses:		
Other interest payable	(146)	(66)
<b>Interest payable and similar expenses</b>	<b>(146)</b>	<b>(66)</b>
<b>Net interest income</b>	<b>295</b>	<b>780</b>

Other interest payable comprises interest charged on two US dollar denominated loans entered into in 2023, each with an outstanding balance of US\$683k. Each term loan requires monthly payment of principal of US\$16.7k plus interest. One term loan charges interest at a floating rate of 176 basis points over the 1 month Secured Overnight Financing Rate (SOFR) in arrears on a monthly basis. The other term loan charges interest at a fixed rate of 5.91%. The term loans are secured against the assets of Altro USA, Inc., have no other fees associated with them, and mature on April 1, 2028.

The Company holds an agreed overdraft facility of £5.0m (2023: £6.0m). This is a composite account facility, with interest charged on net indebtedness across the included accounts. Where applicable, interest is charged at 2% above the Bank of England base rate, on a quarterly basis in arrears. In 2024, nil interest was payable on the overdraft balance (2023: nil) (note 19).

The Group also has a revolving line of credit facility in the US in the amount of US\$5.0m. Interest is charged at a floating rate of 165 basis points over the 1 month Secured Overnight Financing Rate (SOFR) in arrears on a monthly basis. In 2024, \$1k interest was payable on the credit facility (2023: nil) (note 19).

In Australia the Group has a debtors facility and trade facility in the amounts of A\$2.5m and A\$1m respectively. Interest is charged on the outstanding balance within the debtors facility on a monthly basis at the Cash Flow Finance base rate less 2.35%, whilst the trade facility accrues interest at a fixed rate at bank base rate plus 2.25%. The trade facility is secured over the assets of Portbid Pty. Limited.

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 9 Tax on profit

##### (a) Tax expense included in profit or loss

	2024	2023
	£'000	£'000
<b>Current tax:</b>		
UK corporation and income tax:		
current tax expense on income for the year	1,277	1,464
adjustments in respect of prior years	-	(81)
	<b>1,277</b>	<b>1,383</b>
<b>Foreign tax:</b>		
current tax on income for the year	688	500
adjustments in respect of prior years	98	(84)
	<b>786</b>	<b>416</b>
<b>Current tax charge</b>	<b>2,063</b>	<b>1,799</b>
<b>Deferred tax:</b>		
timing differences - origination and reversal	448	(21)
adjustments in respect of prior years	(107)	-
<b>Deferred tax charge / (credit)</b>	<b>341</b>	<b>(21)</b>
<b>Tax on profit</b>	<b>2,404</b>	<b>1,778</b>

##### (b) Tax charge / (credit) included in Other comprehensive expense

	2024	2023
	£'000	£'000
<b>Deferred tax:</b>		
timing differences - origination and reversal (note 20)	116	(2,570)
<b>Tax charge / (credit) included in Other comprehensive expense</b>	<b>116</b>	<b>(2,570)</b>

The deferred tax credit / (charge) to other comprehensive expense comprises the movement on the deferred tax liability for timing differences in respect of the DB Scheme asset.

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 9 Tax on profit *(continued)*

##### (c) Reconciliation of tax charge

The total tax charge for the year is higher (2023: lower) than the applicable rate of corporation tax in the UK of 25% (2023: 23.5%).

A reconciliation of the total tax charge for the year is presented below:

	2024	2023
	£'000	£'000
<b>Profit before taxation</b>	<b>8,397</b>	8,752
Tax charge on profit before taxation of 25% (2023: 23.5%)	<b>2,099</b>	2,057
Income not subject to tax	-	20
Expenses not deductible for tax purposes	<b>108</b>	365
Research and development enhanced allowances	<b>(70)</b>	(151)
Pension contributions in excess of charge	<b>(778)</b>	(840)
Depreciation (less than) / in excess of capital allowances	<b>(143)</b>	10
Movement in short-term timing differences	<b>193</b>	34
Differences in UK income tax and overseas tax rates	<b>829</b>	600
Adjustments in respect of prior years	<b>98</b>	(165)
Deferred tax on share schemes	<b>148</b>	(54)
Other	<b>(80)</b>	(98)
<b>Tax charge for the year</b>	<b>2,404</b>	1,778

##### (d) Tax rate changes

There has been no change to corporation tax rates for the year ended 31 December 2024. For the year ended 31 December 2024, the weighted average tax rate is 25% (2023: 23.5%)

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 10 Dividends per share

	2024	2023
	£'000	£'000
Final dividend for prior year of 7.0p per share (2023: nil)	1,114	-
Interim dividend for current year of 6.0p per share (2023: Interim dividends 9.0p)	950	1,436
<b>Total dividends paid</b>	<b>2,064</b>	<b>1,436</b>

A final dividend of 10p (2023: 7.0p per share) per share for the year ended 31 December 2024 will be proposed at the Annual General Meeting in June 2025. The dividend has not been accounted for within the current year financial statements as it has yet to be approved. Based on the number of shares in issue at the date of this report, this would equate to a dividend of £1,590k (2023: £1,110k). Dividends payable on shares held by the Employee Benefit Trust have been waived.

#### 11 Earnings per share

	2024	2023
	£'000	£'000
<b>Profit for the financial year attributable to owners of the parent</b>	<b>5,993</b>	<b>6,974</b>

	2024	2023
	Number of shares	Number of shares
Weighted average number of shares in issue	16,573,931	16,573,931
Weighted average number of shares held by the Employee Benefit Trust	(649,186)	(594,066)
Basic weighted average number of shares in issue	15,924,745	15,979,865
Dilutive effect of share option schemes	38,345	-
<b>Diluted weighted average number of shares</b>	<b>15,963,090</b>	<b>15,979,865</b>

##### Earnings per share

Basic	37.6p	43.6p
Diluted	37.5p	43.6p

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the weighted average number of shares held by the Employee Benefit Trust.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The Group has one class of dilutive potential ordinary shares, namely share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year.

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

## 12 Intangible assets

### The Group

	Franchise £'000	Goodwill £'000	Computer Software £'000	Total £'000
<b>Cost</b>				
At 1 January 2024	141	5,040	2,180	7,361
Additions	-	-	425	425
Acquisitions	-	970	80	1,050
Currency translation differences	-	(84)	(16)	(100)
Disposals	-	-	(164)	(164)
<b>At 31 December 2024</b>	<b>141</b>	<b>5,926</b>	<b>2,505</b>	<b>8,572</b>
<b>Accumulated amortisation</b>				
At 1 January 2024	141	3,929	1,875	5,945
Currency translation differences	-	(38)	(15)	(53)
Charge for the year	-	165	187	352
Disposals	-	-	(140)	(140)
<b>At 31 December 2024</b>	<b>141</b>	<b>4,056</b>	<b>1,907</b>	<b>6,104</b>
<b>Net book value</b>				
<b>At 31 December 2024</b>	<b>-</b>	<b>1,870</b>	<b>598</b>	<b>2,468</b>
At 31 December 2023	-	1,111	305	1,416

There is no Goodwill held individually that is material to the Group.

### Company

The Company does not hold any intangible assets (2023: none).

## 13 Investment property

### The Group

	Freehold Buildings £'000
<b>At fair value</b>	
At 1 January 2024	828
Net loss from fair value adjustments on investment property	(57)
Currency translation differences	(37)
<b>At 31 December 2024</b>	<b>734</b>
<b>Provisions</b>	
At 1 January 2024	-
<b>At 31 December 2024</b>	<b>-</b>
<b>Net book value</b>	
<b>At 31 December 2024</b>	<b>734</b>
At 31 December 2023	828

The comparable amounts determined according to the historical cost convention are cost: £244k (2023: £244k) and net book value: £134k (2023: £153k).

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 14 Tangible assets

The Group	Land and buildings			Plant equipment and vehicles	Assets under construction	Total £'000
	Freehold £'000	Long	Short			
		leasehold £'000	leasehold £'000	leasehold £'000		
<b>Cost or valuation</b>						
At 1 January 2024	4,990	36,326	782	48,414	1,195	91,707
Currency translation differences	(281)	4	-	(707)	(3)	(987)
Additions	-	292	-	2,475	1,226	3,993
Acquisitions	-	21	-	61	-	82
Disposals	-	(45)	-	(698)	-	(743)
Transfers	-	-	-	819	(819)	-
<b>At 31 December 2024</b>	<b>4,709</b>	<b>36,598</b>	<b>782</b>	<b>50,364</b>	<b>1,599</b>	<b>94,052</b>
At valuation	256	4,394	-	-	-	4,650
At cost	4,453	32,204	782	50,364	1,599	89,402
<b>At 31 December 2024</b>	<b>4,709</b>	<b>36,598</b>	<b>782</b>	<b>50,364</b>	<b>1,599</b>	<b>94,052</b>
<b>Accumulated depreciation</b>						
At 1 January 2024	1,524	14,948	526	38,483	-	55,481
Currency translation differences	(142)	4	-	(520)	-	(658)
Charge for the year	132	796	10	2,160	-	3,098
Disposals	-	(26)	-	(691)	-	(717)
<b>At 31 December 2024</b>	<b>1,514</b>	<b>15,722</b>	<b>536</b>	<b>39,432</b>	<b>-</b>	<b>57,204</b>
<b>Net book value</b>						
<b>At 31 December 2024</b>	<b>3,195</b>	<b>20,876</b>	<b>246</b>	<b>10,932</b>	<b>1,599</b>	<b>36,848</b>
At 31 December 2023	3,466	21,378	256	9,931	1,195	36,226
Comparable amounts determined according to the historical cost convention:						
cost (at 31 December 2024)	3,104	34,870	782	50,364	-	89,120
accumulated depreciation	(1,502)	(15,476)	(537)	(39,339)	-	(56,854)
<b>Net book value</b>						
<b>At 31 December 2024</b>	<b>1,602</b>	<b>19,394</b>	<b>245</b>	<b>11,025</b>	<b>-</b>	<b>32,266</b>
At 31 December 2023	1,873	19,917	256	10,025	-	32,071

Land and buildings were revalued in 1989 which resulted in an increase to the carrying value of property, plant and equipment in both the Group and the Company. The valuation was carried out by an independent valuer who took into account market values of land and buildings at that time. This was taken to be deemed cost on transition.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 14 Tangible assets *(continued)*

The Company	Land and buildings		Assets under construction	Total
	Freehold	Long leasehold		
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 1 January 2024	1,095	36,295	344	37,734
Additions	-	-	57	57
Disposals	-	(29)	-	(29)
<b>At 31 December 2024</b>	<b>1,095</b>	<b>36,266</b>	<b>401</b>	<b>37,762</b>
At valuation	256	4,394	-	4,650
At cost	839	31,872	401	33,112
<b>At 31 December 2024</b>	<b>1,095</b>	<b>36,266</b>	<b>401</b>	<b>37,762</b>
<b>Accumulated depreciation</b>				
At 1 January 2024	399	14,901	-	15,300
Charge for the year	16	711	-	727
Disposals	-	(10)	-	(10)
<b>At 31 December 2024</b>	<b>415</b>	<b>15,602</b>	<b>-</b>	<b>16,017</b>
<b>Net book value</b>				
<b>At 31 December 2024</b>	<b>680</b>	<b>20,664</b>	<b>401</b>	<b>21,745</b>
At 31 December 2023	696	21,394	344	22,434
Comparable amounts determined according to the historical cost convention:				
cost (at 31 December 2024)	969	34,561	-	35,530
accumulated depreciation	(374)	(14,584)	-	(14,958)
<b>Net book value</b>				
<b>At 31 December 2024</b>	<b>595</b>	<b>19,977</b>	<b>-</b>	<b>20,572</b>
At 31 December 2023	611	20,717	-	21,328

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 15 Investments

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
<b>Cost</b>				
At 1 January	-	-	13,357	12,810
Capital (reduction) / contribution arising from share-based payment (credit) / charge	-	-	(77)	547
<b>At 31 December</b>	-	-	13,280	13,357

The directors believe that the carrying value of the investments is supported by their underlying net assets.

The capital contributions arising from the FRS 102 section 26: Share-based payment charge are due to the Company granting share options to employees of Altro Limited. This results in a corresponding increase in investment in Altro Limited.

#### Principal trading subsidiaries

The principal trading subsidiaries at 31 December 2024 were:

Company	Address of registered office	Class of shares	% of shares held	Activity
Altro Limited	Works Road, Letchworth Garden City, Hertfordshire, SG6 1NW, UK	Ordinary	100	Manufacturing & marketing
Altro APAC Pty Ltd	88 Logis Boulevard, Dandenong, South Vic 3175, Australia	Ordinary	100	Distribution
Altro GmbH	Ebertallee 209, 06846 Dessau-Roßlau, Germany	-	100	Distribution
Altro Nordic AB	Flintyvegatan 4, 213 76 Malmö Sweden	Ordinary	100	Distribution
Altro Spain Floors and Walls, SAU	Urbana OFIC. 2-C y Gje. 32-1 sto, Playa De Riazor, N22 of 28042- Madrid, Spain	Ordinary	100	Distribution
Altro Canada Inc.	6221 Kennedy Road, Unit 1, Mississauga, ON L5T 2S8, Canada	Common	100	Distribution
Altro USA, Inc.	80 Industrial Way, Suite 1, Wilmington, MA 01887, USA	-	100	Distribution
Altro Middle East DMCC	Jumeirah Lake Towers, P.O. Box 340505, Dubai, United Arab Emirates	-	100	Distribution
Altro Trading (Shanghai) Company Limited	Suite 402, Jiuxing Hongqiao Business Center, No.25 Shenbin Rd, Shanghai 201107, China	-	100	Distribution
Altro Japan K.K.	C/O Mazars Japan K.K., ATT New Tower 11F, 2-11-7, Akasaka, Minato-ku, Tokyo, Japan	-	100	Distribution
Altro Debolon Holding GmbH	Ebertallee 209, 06846 Dessau-Roßlau, Germany	Ordinary	100	Holding Company
Altro Debolon GmbH	Ebertallee 209, 06846 Dessau-Roßlau, Germany	Ordinary	100	Holding Company
Altro Deutschland GmbH & Co. KG.	Ebertallee 209, 06846 Dessau-Roßlau, Germany	Ordinary	100	Manufacturing & distribution
Altro Debolon Beteiligungen Verwaltungs GmbH	Ebertallee 209, 06846 Dessau-Roßlau, Germany	Ordinary	100	Holding Company
Autoglym APAC Pty Ltd*	88 Logis Boulevard, Dandenong South, Victoria, 3175, Australia	Ordinary	100	Holding Company
AG APAC Pty Ltd*	88 Logis Boulevard, Dandenong South, Victoria, 3175, Australia	Ordinary	100	Holding Company
GNG Sales New Zealand Pty Limited**	3 Foundry Road Seven Hills NSW 2147, Australia	Ordinary	100	Distribution
Portbid Holdings Pty Limited**	3 Foundry Road Seven Hills NSW 2147, Australia	Ordinary	100	Holding Company
Portbid Pty. Limited**	3 Foundry Road Seven Hills NSW 2147, Australia	Ordinary	100	Distribution

\*Company incorporated on 3 April 2024

\*\*Company acquired at close of business on 31 May 2024

All the above subsidiaries are included in the consolidation. The Company's investment in Altro Limited and Altro APAC Pty Ltd are direct ownership, all other investments are indirect ownership.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 15 Investments *(continued)*

#### Dormant entities

The following companies, all registered at the same address as Altro Group Limited (formerly The Altro Group plc), are wholly owned by the Group but are dormant at the year end:

Altro Whiterock Limited	The Altro Group Trustees Limited	Kanor Chemicals Limited
Altrofix Limited	Autoglym Products Limited	Terrazzolite Limited
Altrosport Surfaces Limited	The Altro Group SIP Trustees Limited	Valet-Glym Limited
Autoglym Limited	Altro Floors Limited	Zolatone Polomyx Limited

Australian Safety Flooring Pty Ltd (registered at the address of Altro APAC Pty Ltd) is also wholly owned by the Group but dormant at the year end. Recofloor Limited (registered at Lancaster House, 70-76 Blackburn Street, Radcliffe, Manchester, England, M26 2JW), also dormant at the year end, is 50% owned by the Group.

### 16 Inventories

#### Group

	2024	2023
	£'000	£'000
Raw materials and consumables	7,558	8,429
Work in progress	1,284	1,217
Finished goods and goods held for resale	24,221	23,239
	<b>33,063</b>	<b>32,885</b>

There is no significant difference between the replacement cost of the inventory and its carrying amount.

Inventories are stated after provisions for impairment of £7,411k (2023: £8,798k).

#### Company

The Company has no inventories at 31 December 2024 (2023: nil).

### 17 Debtors: amounts falling due after more than one year

	Group	Group	Company	Company
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Loans	-	-	-	-
Deferred tax asset (note 20)	-	49	719	587
	-	49	719	587

The loan balance is stated after provisions for impairment of £nil (2023: £50k).

#### Company

The Company has no loans at 31 December 2024 (2023: nil).

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 18 Debtors: amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade debtors	19,496	17,163	-	-
Amounts owed by group undertakings	-	-	1,528	1,315
Other debtors	859	1,518	-	-
Corporation tax	564	691	-	-
Prepayments and accrued income	3,459	3,171	-	-
	<b>24,378</b>	<b>22,543</b>	<b>1,528</b>	<b>1,315</b>

Trade debtors and other debtors are stated after provisions for impairment of £456k (2023: £658k).

Amounts owed by group undertakings falling due within one year are unsecured, repayable on demand and interest free.

#### 19 Creditors: amounts falling due within one year

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Bank overdrafts (See note 8)	4,111	2,558	2,897	2,558
Bank and term loans (See note 8)	763	314	-	-
Trade creditors	6,772	7,519	-	-
Corporation tax	221	104	-	-
Other taxation and social security	2,249	2,415	-	-
Other creditors	1,754	294	-	-
Accruals and deferred income	9,384	8,490	190	512
	<b>25,254</b>	<b>21,694</b>	<b>3,087</b>	<b>3,070</b>

#### 20 Provisions for liabilities

##### The Group

	Deferred tax £'000	Other £'000	Total £'000
At 1 January 2024	(49)	499	450
Charged to Consolidated profit and loss account	341	332	673
Charged to Other comprehensive income	116	-	116
Utilised in the year	-	(19)	(19)
Released in the year	-	(139)	(139)
Currency translation movements	4	(2)	2
<b>At 31 December 2024</b>	<b>412</b>	<b>671</b>	<b>1,083</b>

Other provisions represent estimated amounts in respect of worldwide dilapidations, reparations and other matters as advised by our legal advisers. These provisions are expected to be used over the next five years. In determining these amounts, management utilises guidance provided to it by its legal advisers, and other experts, as appropriate.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 20 Provisions for liabilities *(continued)*

The Company	Deferred tax £'000
At 1 January 2024	(587)
Credited to Profit and loss account	(132)
<b>At 31 December 2024</b>	<b>(719)</b>

#### Deferred tax

The provision for deferred tax consists of the following:

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Accelerated capital allowances	21	(31)	(719)	(587)
Other short-term timing differences	(534)	(635)	-	-
Defined Benefit Pension Scheme	1,585	1,391	-	-
Overseas deferred tax	(660)	(774)	-	-
<b>Deferred tax liability / (asset)</b>	<b>412</b>	<b>(49)</b>	<b>(719)</b>	<b>(587)</b>

### 21 Operating lease commitments

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

The Group	2024		2023	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Leases expiring:				
within one year	1,997	775	2,070	582
between one and five years	5,220	1,166	7,302	803
after five years	2,719	-	2,720	-
	<b>9,936</b>	<b>1,941</b>	<b>12,092</b>	<b>1,385</b>

Other leases primarily comprises of vehicles and other plant and machinery.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 22 Retirement benefits

#### (a) Defined Benefit Pension Scheme

The Group operates a funded DB Scheme in the UK which offers pensions in retirement to members.

A full actuarial valuation was carried out as at 30 April 2023; the results have been updated to 31 December 2024 by a qualified independent actuary and showed a surplus at that date of £6,338k (2023: £5,576k) gross of deferred tax, measured in accordance with FRS 102 section 28: Employee benefits.

The DB Scheme was closed to future accrual on 31 March 2014. All members became deferred and the link to final salary was broken.

The Company plans to reduce the DB Scheme funding deficit through an agreed contribution of £2,800k (2023: £2,800k) per year going forward.

#### (i) Pension asset

The pension asset at 31 December was as follows:

	2024	2023
	£'000	£'000
Fair value of DB Scheme assets	90,748	100,750
Present value of DB Scheme liabilities	(84,410)	(95,187)
<b>Group pension asset</b>	<b>6,338</b>	<b>5,563</b>

The present value of unfunded DB Scheme liabilities is nil (2023: nil). The irrecoverable surplus in the DB Scheme is nil (2023: nil).

#### (ii) Analysis of assets and expected rates of return

The fair value of plan assets at 31 December were:

	2024	2023
	£'000	£'000
Debt instruments	88,512	99,583
Cash	2,236	1,167
<b>Fair value of DB Scheme assets</b>	<b>90,748</b>	<b>100,750</b>

The DB Scheme assets do not include any of the Company's own financial instruments, nor any property occupied by, or other assets used by the Company.

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

## 22 Retirement benefits *(continued)*

### (a) Defined Benefit Pension Scheme *(continued)*

#### (iii) Financial and demographic assumptions

The principal financial assumptions used by the actuary at the balance sheet date were:

	2024	2023
	%	%
Rate of increase in pensions in payment (post 2006)	2.0	2.2
Rate of increase in pensions in payment (post 1997, pre 2006)	3.7	3.5
Rate of increase in pensions in payment (pre 1997)	3.0	3.0
Discount rate	5.5	4.5
RPI Inflation	3.1	3.0
CPI Inflation	2.8	2.6

The assumed life expectancies on retirement at age 65 were:

		2024	2023
		Years	Years
Retiring today	males	21.4	21.4
	females	23.9	23.8
Retiring in 20 years' time	males	22.6	22.6
	females	25.3	25.2

The assumptions used in determining the overall expected return of the DB Scheme have been set with reference to yields available on government bonds and appropriate risk margins.

#### (iv) Changes in fair value of DB Scheme assets

	2024	2023
	£'000	£'000
Fair value of DB Scheme assets at 1 January	100,750	99,256
Interest income on DB Scheme assets	4,511	4,642
Actuarial loss	(13,513)	(2,177)
Contributions by employer	2,800	2,800
Benefits paid	(3,800)	(3,771)
<b>Fair value of DB Scheme assets at 31 December</b>	<b>90,748</b>	<b>100,750</b>

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 22 Retirement benefits *(continued)*

##### (a) Defined Benefit Pension Scheme *(continued)*

##### (v) Changes in present value of DB Scheme liabilities

	2024	2023
	£'000	£'000
Present value of DB Scheme liabilities at 1 January	95,187	84,188
Interest cost	4,199	3,869
Remeasurement (gain) / loss	(11,176)	10,901
Benefits paid	(3,800)	(3,771)
<b>Present value of DB Scheme liabilities at 31 December</b>	<b>84,410</b>	<b>95,187</b>

##### (vi) Analysis of amounts recognised in the profit and loss account

	2024	2023
	£'000	£'000
Administration expenses	483	477
<b>Total operating charge</b>	<b>483</b>	<b>477</b>
Interest income on DB Scheme net asset	(313)	(773)
<b>Total finance income (note 8)</b>	<b>(313)</b>	<b>(773)</b>

##### (vii) Amounts recognised in Other comprehensive expense

	2024	2023
	£'000	£'000
Actual return on DB Scheme assets less interest income	(13,513)	(2,177)
Remeasurement gain / (loss) on DB Scheme liabilities	11,176	(10,901)
	<b>(2,337)</b>	<b>(13,078)</b>

##### viii) Pension scheme contingent liabilities

The Group is aware of a UK High Court legal ruling that took place in June 2023 between Virgin Media Limited and NTL Pension Trustees II Limited, which decided that certain historic rule amendments were invalid if they were not accompanied by actuarial confirmations. The ruling was subject to an appeal with a judgement delivered on 25 July 2024. The Court of Appeal unanimously upheld the decision of the High Court.

The company has been liaising with the Trustee of the DB Scheme to determine the relevance of this judgement to the DB Scheme, given this ruling was in respect of another unrelated scheme. The Trustee's current position following discussions with the Scheme's lawyers is that they have decided not to review the historic documentation to consider whether the relevant confirmations were provided on the basis that there is no reason to believe that historic documents had not been executed correctly. The Group is supportive of this position and therefore no adjustments have been made to the Financial Statements as at 31 December 2024. The Group will monitor the impact of any future developments arising from this.

##### (b) Defined Contribution Pension Schemes (DC Schemes)

The Group makes contributions into a number of Defined Contribution Pension Schemes, whose assets are held in separate funds. The total contributions payable by the Group in the year in respect of these schemes were £1,570k (2023: £1,864k). There were no accrued contributions at the year end (2023: none) at the year end. Contributions of £233k (2023: £419k) were prepaid at the year end.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 23 Financial instruments

#### Group

The Group has the following financial instruments:

	2024	2023
	£'000	£'000
<b>Financial assets at fair value through profit or loss</b>		
Foreign exchange forward contracts	-	54
<b>Financial assets that are debt instruments measured at amortised cost</b>		
- Trade debtors	19,496	17,163
- Other debtors	859	1,464
	<b>20,355</b>	<b>18,627</b>
<b>Financial liabilities at fair value through profit or loss</b>		
Foreign exchange forward contracts	207	-
<b>Financial liabilities measured at amortised cost</b>		
- Trade creditors	6,772	7,519
- Accruals	9,384	8,490
- Other creditors	1,547	294
- Bank overdrafts and other borrowings	4,111	2,558
- Term loans	1,519	1,369
	<b>23,333</b>	<b>20,230</b>

#### Derivative financial instruments - forward contracts

The Group enters into forward foreign currency contracts to mitigate the exchange rate risk for purchases and sales. As at 31 December 2024, the outstanding contracts all mature within 12 months (2023: 12 months) of the year end. The Group committed to buy €nil for a fixed sterling amount (2023: €1,000k). At 31 December 2024 the Group had also committed to sell AUD\$1,000k, CAD\$3,000k, SEK7,000k and US\$11,000k for fixed sterling amounts (2023: AUD\$2,000k, CAD\$2,000k, SEK14,000k and US\$11,000k).

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the forward exchange rates for each of the currencies against sterling. The fair value of the forward foreign currency contracts is a £207k liability (2023: £54k asset). This balance is included within the Other Creditors (note 19) (2023: Other Debtors (note 18)). The loss on forward foreign currency contracts charged to the profit and loss account in the year was £261k (2023: £188k profit).

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 24 Share-based payment

During the year ended 31 December 2024, the Group operated three share-based payment arrangements, as follows:

#### Company Share Option Plans (CSOP)

The Altro Group plc 2007 United Kingdom Approved Share Option Scheme (the '2007 CSOP') was introduced in 2007. However no further grants can be made under this Plan. In 2018 a new Plan was therefore introduced, known as The Altro Group plc Company Share Option Plan (the '2018 CSOP'). Under the 2018 CSOP the board of Altro Group Limited (formerly The Altro Group plc) can grant options over shares in Altro Group Limited (formerly The Altro Group plc) to employees of the Company. Options are granted with a fixed exercise price equal to the market value of the shares under option at the date of grant. The contractual life of an option is ten years. Awards are generally reserved for employees at senior and director level. There are three participants remaining in the 2007 CSOP at the balance sheet date (2023: three), and one in the 2018 CSOP (2023: zero). As appropriate, the board of Altro Group Limited (formerly The Altro Group plc) has made annual grants since the inception of these Plans. Options granted under these Plans will become exercisable on the third anniversary of the date of grant and exercise is generally conditional on there having been real growth in the published earnings per share of the Group in any three years between the date the option was granted and the date of exercise. Real growth means an increase above the General Index of Retail Prices of not less than 2% and earnings per share are as published in the Group's audited financial statements. Exercise of an option is typically subject to continued employment and is settled by equity.

#### Phantom Share Option Plans

The Phantom Share Option Plan 2018 was introduced in 2018 (the 'Phantom Plan 2018') to replace The Altro Group plc Phantom Share Option Scheme 2005 (the 'Phantom Plan 2005'). No further Phantom Options will be granted under the Phantom Plan 2005. Under the Phantom Plan 2018 the board of Altro Group Limited (formerly The Altro Group plc) can grant options over notional shares in Altro Group Limited (formerly The Altro Group plc) to employees of the Company. The contractual life of a Phantom Option is seven years and options are granted with a fixed exercise price set by the board and usually equal to the market price of the shares under option at the date of grant. Awards are generally reserved for employees at senior and director level. There are no participants remaining in the Phantom Plan 2005 (2023: four) and five participants in the Phantom Plan 2018 at the balance sheet date (2023: four). As appropriate, the board of Altro Group Limited (formerly The Altro Group plc) has made annual grants under one of the Phantom Plans since 2006. Phantom Options granted under either Phantom Plan will become exercisable on the third anniversary of the date of grant. There are no performance conditions attached to the exercise of Phantom Options that have been granted to date under either Phantom Plan. A Phantom Option is usually satisfied in cash and therefore does not normally result in the issuing of shares in Altro Group Limited (formerly The Altro Group plc).

#### Altro Group Limited Share Incentive Plan (SIP)

The SIP was introduced in 2003 and the Board can award free shares in the Company to UK-based employees of Altro Limited. Under current legislation free shares must be kept in trust for a minimum of three years and for five years to take advantage of full tax benefits. There is an upper statutory limit of £3,600 worth of shares per tax year. Awards are granted with a fixed price equal to the market price of the shares at the date of award. Awards under the SIP are reserved for employees who have been in continuous employment for a period of seven months prior to the grant date. There are 460 participating employees at the balance sheet date (2023: 446). The Company has made annual awards since 2003, with the exception of 2020 to 2022, and Board have confirmed there will be no award in 2025. There are no performance conditions attached to an award. An award is satisfied by the issue of equity shares. The exercise price is nil and dividends are paid as they fall due.

The charge in respect of share-based payment transactions included in the Group's Consolidated profit and loss account for the year is as follows:

	2024	2023
	£'000	£'000
<b>(Income) / Expense arising from share-based payment arrangements</b>	<b>(77)</b>	<b>547</b>

A reconciliation of option and SIP movements over the year to 31 December 2024 is shown on page 56. Shares issued under the SIP do not have an exercise price and therefore only a reconciliation of the number of awards has been shown and not of their weighted average exercise price.

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 24 Share-based payment *(continued)*

	2024		2023	
	Number of options	Weighted average exercise price pence	Number of options	Weighted average exercise price pence
Outstanding at 1 January	841,947	582	698,134	661
Granted during the year	146,632	664	235,627	196
Exercised during the year	(49,687)	-	(47,126)	-
Cancelled during the year	-	-	-	-
Expired during the year	(62,245)	669	(44,688)	842
<b>Outstanding at 31 December</b>	<b>876,647</b>	<b>588</b>	<b>841,947</b>	<b>582</b>
<b>Exercisable at 31 December</b>	<b>441,256</b>	<b>639</b>	<b>477,423</b>	<b>625</b>

During the year none of the directors exercised share options (2023: none).

The weighted average fair value of the share options granted during the year was calculated using the Black-Scholes option valuation model, with the following assumptions and inputs:

Phantom plan:	2024	2023
Risk-free interest rate	3.4% - 4.6%	3.4% - 5.0%
Expected volatility	30%	30%
Expected option life	3-7 years	3-7 years
Expected dividend yield	2.0%	2.0%

The expiry dates and exercise prices of the share options outstanding at 31 December are as follows:

Share option schemes	Settlement method	Number of options		Exercise price pence	Exercisable between
		2024	2023		
CSOP	Equity	10,506	10,506	571	10.04.2018 and 10.04.2025
		3,562	3,562	842	29.09.2019 and 28.09.2026
		4,518	-	664	26.09.2027 and 25.09.2034
		<b>Total CSOP</b>	<b>18,586</b>	<b>14,068</b>	
Phantom	Cash	-	62,245	669	25.05.2020 and 24.05.2024
		68,178	68,178	623	25.10.2021 and 24.10.2025
		85,282	85,282	511	05.09.2022 and 04.09.2026
		60,586	60,586	738	30.01.2023 and 29.01.2027
		65,753	65,753	730	17.06.2024 and 16.06.2028
		73,694	73,694	631	30.06.2025 and 29.06.2029
		66,284	66,284	196	27.07.2026 and 26.07.2030
		96,632	-	664	05.09.2027 and 04.09.2031
<b>Total Phantom</b>	<b>516,409</b>	<b>482,022</b>			
Share Incentive Plan	Equity	341,652	345,857		
<b>Total Share Incentive Plan</b>		<b>341,652</b>	<b>345,857</b>		
<b>Total share options outstanding</b>		<b>876,647</b>	<b>841,947</b>		

## Notes to the Consolidated Financial Statements *(continued)*

### for the year ended 31 December 2024

#### 25 Investment in own shares

The Group accounts for its own shares held by the trustees of the Employee Benefit Trust (EBT) as a deduction from shareholders' funds as required by FRS 102 section 22.16. The costs of running the EBT are charged to the Company's profit and loss account as they occur.

	<b>At 31 December 2024</b>	At 31 December 2023
Number of shares in the Company owned by the EBT	<b>750,958</b>	601,123
Nominal value of shares held	<b>£75,096</b>	£60,112
Cost price of shares held	<b>£4,772,107</b>	£3,840,471
Prevailing valuation of the shares (pence)	<b>465</b>	664
Total market value of shares	<b>£3,491,955</b>	£3,991,457
Maximum number of shares in the Company owned by the EBT during the year	<b>750,958</b>	651,123
Minimum number of shares in the Company owned by the EBT during the year	<b>609,721</b>	577,374

The EBT does not award shares to employees. When awards are made to eligible employees for the SIP grant, the shares are transferred from the EBT to the SIP Trust to be held on trust for those individuals. The EBT sells shares it holds both to employees and to Altro Group Limited (formerly The Altro Group plc). The shares held by the EBT are therefore not under option to employees.

Dividends payable on these shares are waived.

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 26 Called up share capital and other reserves

#### Called up, allotted and fully paid share capital

	2024	2023
	£'000	£'000
Called up, allotted and fully paid:		
16,573,931 ordinary shares of 10p each (2023: 16,573,931 ordinary shares of 10p each)	1,657	1,657

#### Movements in share capital in the year

	2024	2023
	Number of shares	Number of shares
At 1 January	16,573,931	16,573,931
Shares issued	-	-
Own shares purchased	-	-
<b>At 31 December</b>	<b>16,573,931</b>	<b>16,573,931</b>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

#### Allotment of shares

During the year, zero (2023: zero) options were exercised to acquire ordinary shares. Zero (2023: zero) options were exercised under The Altro Group plc Phantom Share Option Scheme 2005, which did not result in the issue of shares.

#### Purchase of own shares

During the year, the Company purchased and subsequently cancelled none (2023: none) of its own shares. The nominal value of the shares was £nil (2023: £nil) and the amount paid was £nil (2023: £nil).

#### Shareholder analysis

Shares	2024			2023		
	Number	(millions)	%	Number	(millions)	%
Directors and their families	17	10.5	63	19	10.5	64
Employees, ex-employees and their families	527	4.6	28	516	4.7	28
The Share Incentive Plan and the EBT	2	1.1	7	2	1.0	6
Other	20	0.4	2	21	0.4	2
	<b>566</b>	<b>16.6</b>	<b>100</b>	<b>558</b>	<b>16.6</b>	<b>100</b>

#### Other reserves

The capital redemption reserve consists of shares purchased and subsequently cancelled by the Company.

The own shares reserve is described in note 25.

## Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2024

### 27 Notes to the consolidated statement of cash flows

	2024 £'000	2023 £'000
<b>Profit for the financial year</b>	<b>5,993</b>	6,974
Adjustments for:		
Tax on profit	2,404	1,778
Net interest income	(295)	(780)
<b>Operating profit</b>	<b>8,102</b>	7,972
Amortisation of intangible assets	352	255
Depreciation of tangible assets	3,098	3,528
Loss on disposal of tangible assets	26	466
Post employment benefits less payments	(2,800)	(2,800)
Share based payment (credit) / charge	(77)	547
Currency translation differences and other non-cash movements	(40)	(473)
Increase / (Decrease) in net provisions	192	(2)
Working capital movements:		
- Decrease in inventories	1,213	3,891
- (Increase) / Decrease in debtors and prepayments	(620)	1,958
- Increase / (Decrease) in payables	846	(2,078)
<b>Net cash inflow from operating activities</b>	<b>10,292</b>	13,264

	At 1 January 2024 £'000	Cash flows £'000	Acquisitions £'000	Non-cash changes £'000	At 31 December 2024 £'000
<b>Analysis of changes in net debt</b>					
Cash at bank and in hand	19,074	(361)	-	(173)	18,540
Bank overdrafts	(2,558)	(1,065)	(450)	(38)	(4,111)
<b>Cash and cash equivalents</b>	<b>16,516</b>	<b>(1,426)</b>	<b>(450)</b>	<b>(211)</b>	<b>14,429</b>
Bank and term loans (note 8, note 19)	(1,369)	149	(303)	4	(1,519)
<b>Balance as at 31 December 2024</b>	<b>15,147</b>	<b>(1,277)</b>	<b>(753)</b>	<b>(207)</b>	<b>12,910</b>

Non-cash changes represent foreign exchange translation adjustments.

<b>Bank and term loans represented by:</b>	<b>£'000</b>
Creditors: amounts falling due within one year	763
Creditors: amounts falling due after more than one year	756
<b>Balance as at 31 December 2024</b>	<b>1,519</b>

# Notes to the Consolidated Financial Statements *(continued)*

## for the year ended 31 December 2024

### 28 Business combinations

After close of business on 31 May 2024, the Group acquired the control of Portbid Holdings Pty Ltd (the holding company of the Autoglym Division's Australian distributor and GNG Sales New Zealand Pty Limited through the indirect purchase of 100% of the share capital for total consideration of £2,716k ("GNG"). This included £184k of directly attributable costs that were incurred by Altro Limited in completing the purchase. GNG distributes Autoglym vehicle and car care products in addition to pneumatic, electric and hand tools.

As a result of the acquisition, the Group expects to both increase sales to customers in Australia, and the wider APAC region. The vertical integration should also enable the realisation of operational efficiencies. The goodwill of £1,025k arising from the acquisition is attributable to the acquired customer base and know-how obtained from combining the operations into the Group.

Management have estimated the useful life of the goodwill to be 10 years on the basis that it is a long term investment. It is expected that the full benefit of the know-how will be realised over this period.

The following table summarises the consideration paid by the Group, the fair value of assets acquired and liabilities assumed at the acquisition date.

#### Consideration at 1 June 2024

	£'000
Cash	2,133
Contingent consideration	399
Directly attributable costs	184
<b>Total consideration</b>	<b>2,716</b>

For cashflow disclosure purposes the amounts are disclosed as follows:

Cash consideration	2,133
Directly attributable costs	184
<b>Add back:</b>	
Cash and cash equivalents acquired	450
<b>Net cash outflow</b>	<b>2,767</b>

## Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2024

### 28 Business combinations *(continued)*

Recognised amounts of identifiable assets acquired and liabilities :	Note	Book	Adjustments	Fair
		Values £'000	£'000	Value £'000
Property, plant and equipment		79	-	79
Intangible assets		91	-	91
Inventories		1,757	-	1,757
Trade and other receivables		1,301	-	1,301
Cash and cash equivalents		(450)	-	(450)
Prepayments		69	-	69
Trade and other payables		(853)	-	(853)
Related party loans	(a)	26	(26)	-
Finance facilities		(303)	-	(303)
<b>Total identifiable net assets</b>		<b>1,717</b>	<b>(26)</b>	<b>1,691</b>
Goodwill				1,025
<b>Total</b>				<b>2,716</b>

The adjustments arising on acquisition were in respect of the following:

(a) Foregoing of net related party loan balances on acquisition.

Contingent consideration of \$475k AUD is payable on each of 1 June 2025 and 1 June 2026 subject to performance conditions being met. The amount recognised in the business combination is based on management's expectation that the associated conditions will be met.

The revenue from the acquisition of GNG included in the consolidated income statement for 2024 was £4,265k. It also contributed an operating profit of £41k over the same period.

## Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2024

### 29 Capital commitments

Group	2024 £'000	2023 £'000
Contracted but not provided for	1,979	1,394

#### Company

The Company has capital commitments of £6k at 31 December 2024 (2023: nil)

### 30 Contingent Liabilities

The Company has provided a formal guarantee to the trustees of the Altro Pension Scheme in respect of the present and future obligations of Altro Limited to the DB Scheme (see note 22).

### 31 Related party transactions

The Company has taken advantage of the exemption available in paragraph 33.1A of FRS 102: Related party disclosures and has not disclosed transactions with other wholly owned Group companies. Transactions between Group companies that eliminate in the consolidated financial statements are not disclosed. There are no other related party transactions.

### 32 Ultimate parent company

The ultimate parent undertaking and controlling party is Altro Group Limited (formerly The Altro Group plc), a company registered in England and Wales. For the year ended 31 December 2024, Altro Group Limited (formerly The Altro Group plc) is the parent undertaking of the largest and smallest group of undertakings whose results are consolidated in these financial statements at 31 December 2024.

## Five year financial summary (unaudited)

This summary does not form part of the audited financial statements.

### The Group

	2024	2023	2022	2021	2020
	£'000	£'000	£'000	£'000	£'000
<b>Balance sheet</b>					
Fixed assets	40,050	38,470	39,078	39,752	42,296
Current assets	82,319	80,114	88,748	96,352	76,082
<b>Total assets</b>	<b>122,369</b>	<b>118,584</b>	<b>127,826</b>	<b>136,104</b>	<b>118,378</b>
Ordinary shareholders' funds	95,276	95,336	101,800	109,800	96,595
Other creditors	27,093	23,248	26,026	26,304	21,783
<b>Total funds employed</b>	<b>122,369</b>	<b>118,584</b>	<b>127,826</b>	<b>136,104</b>	<b>118,378</b>
<b>Turnover and profits</b>					
Turnover	174,633	173,536	161,804	146,262	138,221
Operating profit / (loss)	8,102	7,972	(420)	7,978	10,481
Profit / (loss) for the financial year	5,993	6,974	(657)	6,955	8,842
Ordinary dividends	2,064	1,436	1,504	3,023	1,433
	Pence	Pence	Pence	Pence	Pence
<b>Basic earnings per share</b>	<b>37.6p</b>	43.6	(4.1)	43.7	55.5
<b>Diluted earnings per share</b>	<b>37.5p</b>	43.6	(4.1)	43.7	55.5
<b>Dividends per share</b>	<b>13.0</b>	9.0	9.5	19.0	9.0
<b>Net assets per share</b>	<b>574.9</b>	575.2	614.2	662.5	582.8
<b>Gearing ratio %</b>	<b>1.6</b>	1.4	0.0	0.0	0.0
<b>Average number of employees</b>	<b>867</b>	870	830	801	811

Note: Other creditors in the above table comprises 'Creditors: amounts falling due within one year' in addition to non current liabilities.