



altro



The Annual Report

and

**Consolidated
Financial Statements**

of

Altro Group Limited

for the year ended

31 December 2025

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
10th Floor, Central Square
29 Wellington Street
Leeds
LS1 4DL

Chair's statement for the year ended 31 December 2025

I can announce that the result for the year ended 31 December 2025 was a profit before taxation of £9.6m (2024: £8.4m) on sales of £183.7m (2024: £174.6m).

As outlined in the Strategic Report, during 2025 the Board made considered investments in the business to ensure its future strength and has a robust business plan in place for 2026 and beyond. At the time of writing, we are experiencing geo-political events that are resulting in raw material and shipping cost increases. Whilst we believe we are in a stronger position than many companies during these turbulent times, the Board is currently re-evaluating our expenditure and other plans in order to protect that position.

During 2025, dividends totalling 16.0p per share were paid (2024: 13.0p). At the Annual General Meeting in June, the Company proposes to seek the approval of the shareholders to pay a final dividend for 2025 of 10p per share on 24 July 2026 to those shareholders on the register at close of business on 3 July 2026. Against the current macro-economic background a decision on whether to pay an interim dividend later in the year will be reviewed depending on the facts and circumstances at that time.

A share valuation of 484p was obtained from Investec Bank plc in April 2026 (April 2025: 407p, August 2025: 455p, December 2025: 421p) on behalf of the Trustees of the Employee Benefit Trust (EBT) and the Share Incentive Plan (SIP).

I would like to thank shareholders for their continued support and I look forward to continuing to serve the Group as Chairman throughout 2026 and beyond.



R J Kahn
28 April 2026

Strategic report

for the year ended 31 December 2025

The directors present their Strategic report on the Group for the year ended 31 December 2025.

Principal activities and review of the business

Altro Group Limited (the “Company”) is a 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 21 and the profit attributable to its shareholders is disclosed on page 20 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.

Financial review

The consolidated profit and loss account for the year is set out on page 20.

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

- Turnover - increase of 5.2% (2024: up 0.6%)
- Operating profit - increase of 14.3% (2024: up 1.6%)
- Net funds - decrease of 20.6% (2024: down 12.7%)
- Total Shareholders' funds - increase of 2.5% (2024: down 0.1%)

The Group's net funds comprising cash and cash equivalents net of bank overdrafts were £11.5m (2024: £14.4m) as at 31 December 2025.

Turnover has increased year on year aided by price increases into the market, which has contributed to the increase in operating profit. Performance against the KPIs in 2025 is once again considered satisfactory given the wider economic context.

Expenditure during the year has included investment in buildings, plant and machinery throughout the Group as well as additional contributions of £2.8m (2024: £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 and political situation on our international trade.

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.

Strategic report *(continued)* **for the year ended 31 December 2025**

Principal risks and uncertainties *(continued)*

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 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 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.

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.

Strategic report (continued)

for the year ended 31 December 2025

Companies Act 2006 Section 172 Statement

The Board of Directors of Altro Group Limited (the “Board”) are fully aware of their duty under Section 172, along with the other directors’ duties in the Companies Act 2006. 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.

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. 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 2025, 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.

The composition of the Board supports its long-term outlook with a balance of Executive and Non-Executive Directors and a mixture of skills, experience and length of service. The composition of the Board of Altro Limited (the Group’s primary trading subsidiary) is identical to the Board of Altro Group Limited and at least one director of every international trading subsidiary is either a director of Altro Group Limited 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 and each have Executive Directors as members and therefore the Board receives monthly updates from the Executive Committees through these individuals. 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 as well as Principal Decisions made during the year. Immediately below is an outline of how the directors have had regard to the matters in Section 172 (1) a) to f) of the Companies Act 2006 and the effect of that regard.

a) The likely consequences of any decision in the long term

Protecting the long-term viability of the Group is central to every Board discussion and decision-making process and in particular, the Board always considers the balance between the short and long-term carefully in all of its decision making. This approach allows a balance between ensuring the short-term health of the Company and Group and investing for the future growth of the business. This long-term outlook is reflected in the fact that the oldest company in the Group (Altro Limited) has been in operation since 1919.

The Board has also chosen to maintain 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, through differing raw materials, routes to market and customer bases.

The Board also annually reviews 5 year plans for the Group, which has helped to inform capital expenditure and investment decisions for the long-term success of the Group.

(See also ‘Expenditure and Borrowing Decisions’ in the ‘Principal Decisions’ section.)

Strategic report *(continued)* for the year ended 31 December 2025

Companies Act 2006 Section 172 Statement *(continued)*

b) The interests of the Company's employees

See the 'Statement on employee engagement' section of the Directors' report, as well as the Employees section below.

c) The need to foster the Company's business relationships with suppliers, customers and others

See 'Supplier', 'Customer' and other stakeholder sections below.

d) The impact of the Company's operations on the community and the environment

See both 'Community' and 'Environment' sections below and the 'Emissions and energy consumption' section in the Directors' report.

e) The desirability of the Company maintaining a reputation for high standards of business conduct

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. The employee handbook also sets out a clear whistle-blowing procedure which is flagged to new employees as part of their induction. (See also 'Directors' Engagement with and Regard to Employees' in the Statement of employee engagement.)

In order to ensure high standards of business conduct the Board requires both manufacturing subsidiaries (UK and Germany) to hold a variety of ISO accreditations, which have been successfully maintained during the year. Testament to the high standards set by the Board is the Royal Warrant from His Majesty King Charles III, which is the fourth successive Royal Warrant for Autoglym.

The Altro Limited Gender Pay Gap Report for April 2025 shows a median Gender Pay Gap of 7.25%, compared to a UK National Median Gender Pay Gap of 6.9% (Source: Office for National Statistics Provisional Data 2025).

Health and Safety (Zero Harm) is a key priority for the Group and is the first agenda item at every Board Meeting. 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 the Group experienced fewer major accidents and incidents in 2025 compared to 2024.

f) The need to act fairly as between members of the Company

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). The Board has maintained a desire to have only one class of shareholder to facilitate fairness between members. 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 2025. We are delighted that a number of shareholders attend our Annual General Meeting ("AGM") each year.

(See also the 'Shareholders' section below and 'Dividend Decisions' in the 'Principal Decisions' section.)

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 and Group 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 note engagement strategies (how the Board has had regard to this stakeholder group) and their outcomes (the effect of the Board's regard for this stakeholder group).

Strategic report *(continued)*

for the year ended 31 December 2025

Companies Act 2006 Section 172 Statement *(continued)*

SHAREHOLDERS

As an unlisted company with several hundred shareholders, we are proud that shareholder engagement is an integral part of our annual calendar.

The Board understands the importance of shareholders and engages a professional registrar company to take care of shareholder enquiries and registering changes to shareholdings. 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. 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. The Company holds an AGM and to facilitate input from those shareholders that are unable to attend we also invite questions by email.

As outlined above, the Board maintains a careful balance between preserving working capital and making significant expenditure decisions. In making these decisions in 2025, 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.

(See also 'The need to act fairly as between members of the Company' above and 'Dividend Decisions' in the 'Principal Decisions' section.)

EMPLOYEES

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.

PENSIONERS

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.

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. There is also a Defined Contribution Pension Scheme Group, who meet annually with the administrators to review the Scheme.

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, access to online information to help planning for retirement 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.

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 2025. Altro Limited also pays pension scheme costs for administration, investment advice and other pension fund fees.

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.

COMMUNITY

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.

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.

The Group supports charitable causes through monetary and goods donations, fundraising, mentoring, 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.

Strategic report *(continued)*

for the year ended 31 December 2025

Companies Act 2006 Section 172 Statement *(continued)*

ENVIRONMENT

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.

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. The Group aims to make sustainable flooring and for this reason the Group also is able to offer up to 20 year guarantees with a number of its flooring products and 30 years for some wall cladding products.

Within the Group there are various relationships and memberships of industry environmental groups and 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.

There are dedicated Sustainability Steering Groups, Sustainability Forums, Sustainability Managers and Sustainability Champions within the Group. 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. A Sustainability Report is also published by the Altro Floors and Walls Division.

The Group takes seriously the need to find ways to prevent redundant product from being sent to landfill, maintaining a 50% stake in Recofloor (the vinyl flooring take-back scheme that operates in the UK and Ireland co-founded by Altro and Polyflor).

We are proud to hold an EcoVadis award (an award in relation to management systems for sustainability).

(See also the 'Emissions and energy consumption' section in the Directors' report.)

SUPPLIERS

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.

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. As a result of this we carry out joint projects with suppliers, for example on areas such as sustainability.

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. When selecting suppliers, their ethical values and welfare records are considered along with both their business and product sustainability criteria. We maintain a Responsible Sourcing Policy and a Supplier Code of Conduct.

CUSTOMERS

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. We have a variety of routes to market and as such a variety of customer groups, such as: Business Partners (including Agents, Distributors, Franchisees and Researchers), Product users (such as installers (Altro Floors and Walls), valeters and dealerships (Autoglym)) and specifiers (such as architects) and End Customers.

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 Group has hosted thousands of customer attendees from multiple countries. Franchisees also continue to be involved in product testing and feedback. These close customer relationships have led to a number of product launches and changes and updates to our websites and packaging, based directly on customer feedback. We are delighted to have received a number of product awards during the year.

Strategic report *(continued)*

for the year ended 31 December 2025

Companies Act 2006 Section 172 Statement *(continued)*

CUSTOMERS *(continued)*

The Group also hosts customer conferences, product workshops, factory tours and events. In addition, the Group provides videos, e-learning and webinars to its customers, as well as running its popular training schools. Technical services support for customers also remained consistent throughout the year.

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.

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 2025 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:

- *not to offer a buyback of shares;*
- *approval of a variety of capital expenses and investments to strengthen the future of the business;*
- *deciding against making a SIP award in 2025, but making a Christmas reward payment to UK staff;*
- *awarding a pay increase to employees at the start of 2026; and*
- *approval of the 2026 budgets.*

Strategic report *(continued)* **for the year ended 31 December 2025**

Companies Act 2006 Section 172 Statement *(continued)*

Principal Decisions *(continued)*

ii) Dividend Decisions

During the year the Board recommended a 2024 final dividend of 10p per share, subsequently approved by Shareholders and paid in July 2025. An interim dividend of 6p was declared and paid to shareholders in November 2025. 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 triennial valuations, contributing £2.8m during the year to 31 December 2025. When continuing with the contribution in 2025, the Board considered the need for prudence, as above, balanced with the needs of pensioners and other stakeholders.

Current Position

The Group reviews its operations, sales and expenditure on an ongoing basis; should the need arise the Board may alter or reverse some of the plans for 2026 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
28 April 2026

Directors' report

for the year ended 31 December 2025

The directors present their report and the audited consolidated financial statements of Altro Group Limited ("the Company") – Company Registration Number: 01493087 – and its subsidiary undertakings (together, "the Group") for the year ended 31 December 2025. The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

R J Kahn *Managing Director and Chair*
E P Boyle*
P L Caller
M P Fincham*
A Mitter
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 (2024: 10.0p) per share, resulting in a total dividend of 16p (2024: 16.0p) per share for the year. An interim dividend of 6p was paid in November 2025 (2024: 6p).

Share capital

During 2025, the Company bought back and cancelled nil (2024: nil) ordinary shares of 10p each (representing 0.0% (2024: 0.0%) of the called-up share capital). No shares (2024: 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 2025, the EBT purchased 85,450 (2024: 151,175) ordinary shares for total consideration of £390k (2024: £941k). 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. The Group maintains a Diversity, Inclusion and Belonging programme.

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 Development Programmes. At the balance sheet date, 24% of UK employees have between 10 and 20 years' continuous service and 18% 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' Engagement with and Regard to Employees:

The directors engage both directly and indirectly with Group employees, in particular via two Executive Committees. The members of these Committees meet with all staff throughout the year (in person or virtually) including through Team Briefings and Town Hall meetings where they share financial performance information and progress on key strategies.

Directors' report *(continued)* for the year ended 31 December 2025

Statement of employee engagement *(continued)*

Directors' Engagement with and Regard to Employees (continued):

Directors have regard to employees throughout all decision-making processes and the Group prides itself on the care it has for its staff. Staff wellbeing is promoted through workshops and induction sessions. Staff are supported by an Employee Assistance Programme, Dignity at Work Coaches, Mental Health First Aiders, the HR team and Occupational Health and have access to an Employee Support Hub. There are multiple training courses run for staff every year and Apprenticeships are also a key part of employee development. As part of our commitment to employee safety, the Zero Harm programme continues to be a focus.

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 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 carried out and all employees, both in the UK and internationally, can use an online platform to give confidential feedback.

The business carries out employee surveys globally and 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.

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 (which can be submitted anonymously to encourage open and honest feedback). There are also online feedback systems 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

The majority of UK employees held shares in a Share Incentive Plan (SIP) during 2025 and therefore receive all the same financial information that is disseminated to shareholders. Performance-linked bonuses are operated in parts of the business, as appropriate. Financial results are also shared with employees on a regular basis 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.

Directors' report *(continued)* **for the year ended 31 December 2025**

Statement of employee engagement *(continued)*

Decisions Affecting Employees:

Some of the decisions taken during the year that have taken employee interests into consideration are outlined above and also include, continued funding for an external Employee Assistance Programme for all employees globally to access advice on a range of welfare and financial topics free of charge and continued funding for the Employee Benefit Trust.

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.

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 2025, 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 and its directors.

Emissions and energy consumption

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 2025, a number of initiatives were undertaken to improve energy efficiency including LED lighting upgrades, a compressed air leak survey and investigations into the installation of solar panels at UK sites.

Although gas usage appears high, a new meter installed in July 2024, accounting for most of the gas usage, only became fully functioning in providing accurate meter readings partway through 2025, resulting in a mismatch of usage to the previous financial year.

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).

Directors' report *(continued)* for the year ended 31 December 2025

Emissions and energy consumption *(continued)*

	Total UK energy consumption (kWh):		Total UK emissions (Tonnes of CO₂e):	
	Year ended 31 December 2025	Year ended 31 December 2024	Location based 2025	Location based 2024
Scope 1: Gas and other fuels	14,731,574	10,269,106	2,657	1,898
Scope 1: Transportation	1,103,943	1,273,794	250	288
Scope 2: Grid-supplied electricity	5,098,373	5,576,658	902	1,155
Total	20,933,890	17,119,558	3,809	3,341
Intensity metric: (Tonnes of CO₂e/£m UK Turnover)			30.4	25.8

Report Methodology

Scope 1 and 2 consumption and CO₂e 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 kgCO₂e relevant for the reporting year: Database 2025, Version 1.0.

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 9.73% of reported consumption.

For properties where the Group is indirectly responsible for utilities (i.e. via a landlord or service charge) an average kWh/m² 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 2025 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 (2024: £2.8m) to the DB Scheme in line with the triennial funding plan agreed with the Pension Trustees. In light of the improved funding position the Trustees and Group have agreed to cease contributions from April 2026. This decision was made after the balance sheet date.

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

Charitable and political donations

The Group contributed £153k (2024: £193k) for charitable purposes. There were no political contributions (2024: nil).

Auditors' Limited Liability Agreement

As shareholders will be aware, it has been agreed with the Company's auditors that the auditors' liability to damages for breach of duty in relation to the audit of the Company's financial statements for the year to 31 December 2025 be 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 Company as is just and equitable having regard to the extent to which the auditor, the Company and any third parties are responsible for the loss in question. The shareholder waived the need for approval of this limited liability agreement, as required by the Companies Act 2006, in the Annual General Meeting held on 19 June 2025.

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 2026 and 2027, including proposed capital expenditure, and compared these with the Group's cash holdings, its committed borrowing facilities and projected gearing ratios.

Directors' report *(continued)* **for the year ended 31 December 2025**

Going Concern *(continued)*

Overall, the Group benefits from a strong financial position, with minimal external borrowing and significant liquidity. As at 31 December 2025 the Group had liquid resources of £11.5m (2024: £14.4m) comprising cash and cash equivalents. In addition there is an agreed overdraft facility of £5.0m (2024: £5.0m). The facility was not utilised during the year (2024: 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.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the consolidated 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
28 April 2026

Independent auditors' report to the members of Altro Group Limited for the year ended 31 December 2025

Report on the audit of the financial statements

Opinion

In our opinion, Altro Group Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2025 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 Statements (the "Annual Report"), which comprise:

- the consolidated balance sheet as at 31 December 2025;
- the company balance sheet as at 31 December 2025;
- the consolidated profit and loss account for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the company statement of changes in equity for the year then ended;
- the consolidated 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.

Independent auditors' report to the members of Altro Group Limited

(continued)

for the year ended 31 December 2025

Reporting on other information

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

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

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

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

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 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.

Independent auditors' report to the members of Altro Group Limited

(continued)

for the year ended 31 December 2025

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

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. Audit procedures performed by the engagement team included:

- 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; and
- reviewing meeting minutes, including those of the board of directors.

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. 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
28 April 2026

Consolidated Profit and Loss Account for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Turnover	5	183,693	174,633
Cost of sales		(83,683)	(79,591)
Gross profit		100,010	95,042
Distribution costs		(48,745)	(45,441)
Administrative expenses		(42,426)	(42,768)
Other operating income		424	1,269
Operating profit		9,263	8,102
Interest receivable and similar income	8	537	441
Interest payable and similar expenses	8	(183)	(146)
Profit before taxation	6	9,617	8,397
Tax on profit	9	(2,383)	(2,404)
Profit for the financial year		7,234	5,993

All the above results derive from continuing operations.

Consolidated Statement of Comprehensive Income for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Profit for the financial year		7,234	5,993
Other comprehensive expense:			
Currency translation differences arising on consolidation		(402)	(808)
Remeasurements of net Defined Benefit Pension Scheme balance	22	(1,406)	(2,337)
Total tax expense on components of other comprehensive expense	9	(348)	(116)
Other comprehensive expense for the year, net of tax		(2,156)	(3,261)
Total comprehensive income for the year		5,078	2,732
Earnings per share	11		
Basic		45.8p	37.6p
Diluted		45.7p	37.5p

Consolidated Balance Sheet

as at 31 December 2025

	Note	2025 £'000	2024 £'000
Fixed assets			
Intangible assets	12	2,368	2,468
Investment property	13	820	734
Tangible assets	14	37,886	36,848
		41,074	40,050
Current assets			
Inventories	16	35,113	33,063
Defined Benefit Pension Scheme asset	22	8,157	6,338
Debtors: amounts falling due within one year	18	26,198	24,378
Cash at bank and in hand		15,208	18,540
		84,676	82,319
Creditors: amounts falling due within one year	19	(25,772)	(25,254)
Net current assets		58,904	57,065
Total assets less current liabilities		99,978	97,115
Creditors: amounts falling due after more than one year		(408)	(756)
Provisions for liabilities	20	(1,910)	(1,083)
Net assets		97,660	95,276
Capital and reserves			
Called up share capital	26	1,657	1,657
Share premium account		7,218	7,218
Other reserves		(4,089)	(3,700)
Retained earnings		92,874	90,101
Total equity		97,660	95,276

The notes on pages 26 to 56 are an integral part of these financial statements.

The financial statements on pages 20 to 56 were approved by the Board on 28 April 2026 and signed on its behalf by



R J Kahn

Managing Director

Company Balance Sheet

as at 31 December 2025

	Note	2025 £'000	2024 £'000
Fixed assets			
Tangible assets	14	21,129	21,745
Investments	15	13,074	13,280
		34,203	35,025
Current assets			
Debtors: amounts falling due after more than one year	17	883	719
Debtors: amounts falling due within one year	18	1,866	1,528
Cash at bank and in hand		7,023	7,548
		9,772	9,795
Creditors: amounts falling due within one year	19	(3,059)	(3,087)
Net current assets		6,713	6,708
Total assets less current liabilities		40,916	41,733
Net assets		40,916	41,733
Capital and reserves			
Called up share capital	26	1,657	1,657
Share premium account		7,218	7,218
Other reserves		(4,089)	(3,700)
Retained earnings			
- At 1 January		36,558	35,328
- Profit for the financial year		1,877	3,093
- Other changes in retained earnings		(2,305)	(1,863)
Total retained earnings		36,130	36,558
Total equity		40,916	41,733

The notes on pages 26 to 56 are an integral part of these financial statements.

The financial statements on pages 20 to 56 were approved by the Board on 28 April 2026 and signed on its behalf by



R J Kahn
Managing Director

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	Called up		Share		Other reserves		Total equity					
	share capital	premium account	redemption reserve	Own shares	Retained earnings	Total equity						
								£'000	£'000	£'000	£'000	£'000
The Group												
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)						
Total comprehensive income for the year	-	-	-	-	2,732	2,732						
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						
Total transactions with owners, recognised directly in equity	-	-	-	(932)	(1,860)	(2,792)						
Balance as at 31 December 2024	1,657	7,218	1,071	(4,771)	90,101	95,276						
Balance as at 1 January 2025	1,657	7,218	1,071	(4,771)	90,101	95,276						
Profit for the financial year	-	-	-	-	7,234	7,234						
Other comprehensive expense for the year	-	-	-	-	(2,156)	(2,156)						
Total comprehensive income for the year	-	-	-	-	5,078	5,078						
Dividends paid (note 10)	-	-	-	-	(2,527)	(2,527)						
Purchase of own shares for the SIP	-	-	-	-	-	-						
Purchase of own shares by the EBT	-	-	-	(390)	-	(390)						
Disposal of own shares by the EBT	-	-	-	1	(1)	-						
Increase in reserves arising from share-based payments	-	-	-	-	223	223						
Total transactions with owners, recognised directly in equity	-	-	-	(389)	(2,305)	(2,694)						
Balance as at 31 December 2025	1,657	7,218	1,071	(5,160)	92,874	97,660						

Company Statement of Changes in Equity

for the year ended 31 December 2025

	Called up share capital £'000	Share premium account £'000	Other reserves		Retained earnings £'000	Total equity £'000		
			Capital redemption reserve £'000	Own shares £'000				
The Company								
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		
Total comprehensive income for the year	-	-	-	-	3,093	3,093		
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	-	-	-	-	203	203		
Total transactions with owners, recognised directly in equity	-	-	-	(932)	(1,863)	(2,795)		
Balance as at 31 December 2024	1,657	7,218	1,071	(4,771)	36,558	41,733		
Balance as at 1 January 2025	1,657	7,218	1,071	(4,771)	36,558	41,733		
Profit for the financial year	-	-	-	-	1,877	1,877		
Total comprehensive income for the year	-	-	-	-	1,877	1,877		
Dividends paid (note 10)	-	-	-	-	(2,527)	(2,527)		
Purchase of own shares for the SIP	-	-	-	-	-	-		
Purchase of own shares by the EBT	-	-	-	(390)	-	(390)		
Disposal of own shares by the EBT	-	-	-	1	(1)	-		
Increase in reserves arising from share-based payments	-	-	-	-	223	223		
Total transactions with owners, recognised directly in equity	-	-	-	(389)	(2,305)	(2,694)		
Balance as at 31 December 2025	1,657	7,218	1,071	(5,160)	36,130	40,916		

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

	Note	2025 £'000	2024 £'000
Net cash inflow from operating activities	27	7,347	10,292
Taxation paid		(2,633)	(1,818)
Net cash generated from operating activities		4,714	8,474
Cash flow from investing activities			
Purchase of subsidiary (net of cash acquired)	28	-	(2,767)
Purchase of intangible assets	12	(244)	(425)
Purchase of tangible assets	14	(4,240)	(3,993)
Proceeds from disposals of tangible assets		1	-
Interest received		111	128
Net cash used in investing activities		(4,372)	(7,057)
Cash flow from financing activities			
Receipt from bank and term loan facility		47	164
Repayment of bank and term loan facility		(304)	(313)
Dividends paid to owners of the parent	10	(2,527)	(2,064)
Interest paid		(183)	(146)
Sale of own shares by the EBT (net of costs of issue)		-	7
Purchase of own shares by the EBT and for the SIP		(390)	(941)
Net cash used in financing activities		(3,357)	(3,293)
Net decrease in cash and cash equivalents		(3,015)	(1,876)
Cash and cash equivalents at the beginning of the year		14,429	16,516
Exchange loss on cash and cash equivalents		42	(211)
Cash and cash equivalents at the end of the year		11,456	14,429
Cash and cash equivalents consist of:			
Cash at bank and in hand		15,208	18,540
Overdrafts and short-term borrowings	19	(3,752)	(4,111)
Cash and cash equivalents		11,456	14,429

Notes to the Consolidated Financial Statements

for the year ended 31 December 2025

1 General information

Altro Group Limited ("the Company"), 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 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.

(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.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

3 Accounting policies *(continued)*

(c) Basis of consolidation *(continued)*

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.

(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.

Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2025

3 Accounting policies *(continued)*

(f) Goodwill and intangible assets *(continued)*

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) Taxation

Taxation expenses for the year comprises current and deferred tax recognised in the year. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred tax assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amount expected to be paid to the tax authorities.

(ii) 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.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

3 Accounting policies *(continued)*

(i) Taxation *(continued)*

(ii) Deferred tax (continued)

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.

(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. A provision is made for obsolete, slow-moving and defective stocks based on management's assessment.

(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.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

3 Accounting policies *(continued)*

(k) Financial instruments *(continued)*

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.

(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.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

3 Accounting policies *(continued)*

(o) Employee benefits *(continued)*

(iii) Defined Benefit Pension Scheme (continued)

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.

(iv) 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.

(v) 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.

Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2025

3 Accounting policies *(continued)*

(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.

(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 2025

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 1.3%.

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 2025

5 Turnover

Turnover by geographical area was:

Territory	2025		2024	
	£'000	%	£'000	%
United Kingdom	86,724	47	84,471	48
Continental Europe	24,078	13	22,997	13
The Americas	52,943	29	48,147	28
Australia and Asia Pacific	15,716	9	14,967	9
Rest of world	4,232	2	4,051	2
	183,693	100	174,633	100

Turnover is comprised of revenue from the sale of goods.

6 Profit before taxation

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

	2025	2024
	£'000	£'000
Amortisation of intangible assets	416	352
Depreciation of tangible assets	3,496	3,098
Loss on disposal of tangible fixed assets	127	26
Impairment / (Reversal of impairment) of inventory	353	(1,387)
Reversal of impairment of trade receivables	(67)	(202)
Research and development	2,292	1,922
Operating lease charges	2,682	2,750
Government grants (included within Other operating income)	-	(844)
Foreign exchange (gain) / loss	(585)	332
Fees payable to the Company's auditors for the audit of the Company and consolidated financial statements	190	195
Fees payable to the Company's auditors and their associates for other services:		
- the audit of the Company's subsidiaries	85	85
- tax compliance services	48	51
- tax advisory services	104	103
Total amount payable to the Company's auditors and their associates	427	434

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

7 Employees and directors

Group employees

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

	2025 Number	2024 Number
Manufacturing	218	210
Sales and marketing	326	302
Warehouse and distribution	99	97
Administration and management	244	258
	887	867

Employee costs, including directors, during the year were:

	2025 £'000	2024 £'000
Wages and salaries	50,981	48,598
Social security costs	5,810	5,122
Other pension costs	2,044	1,921
Employee share schemes (note 24)	244	(77)
	59,079	55,564

All staff are employed by subsidiaries within the Group. The Company has no employees (2024: nil).

Directors

The directors' emoluments were as follows:

	2025 £'000	2024 £'000
Aggregate emoluments	1,640	1,912
Defined Contribution Pension Scheme contributions	232	197
	1,872	2,109

Contributions were made to a Defined Contribution Pension Scheme on behalf of two directors (31 December 2024: two) in the year ended 31 December 2025.

During the year 86,394 (2024: 76,264) phantom options were awarded to the directors and none (2024: none) were exercised.

Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2025

7 Employees and directors *(continued)*

Highest paid director

	2025	2024
	£'000	£'000
Highest paid director:		
Aggregate emoluments	854	974
Defined Contribution Pension Scheme contributions	186	186
	1,040	1,160

The amount of the accrued pension in the DB Scheme of the highest paid director at 31 December 2025 is £186k (2024: £192k). No approved share options (2024: none) and no phantom share options (2024: 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

	2025	2024
	£'000	£'000
Interest receivable and similar income:		
short term deposits	79	96
other	32	32
finance income on DB Scheme assets (note 22)	426	313
Interest receivable and similar income	537	441
Interest payable and similar expenses:		
Other interest payable	(183)	(146)
Interest payable and similar expenses	(183)	(146)
Net interest income	354	295

Other interest payable comprises interest charged on two US dollar denominated loans entered into in 2023, each with an outstanding balance of US\$484k. 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 (2024: £5.0m). 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 2025, nil interest was payable on the overdraft balance (2024: 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 2025, \$18k interest was payable on the credit facility (2024: \$1k) (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, a subsidiary of the Group.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

9 Tax on profit

(a) Tax expense included in profit or loss

	2025	2024
	£'000	£'000
Current tax:		
UK corporation and income tax:		
current tax expense on income for the year	1,011	1,277
adjustments in respect of prior years	8	-
	1,019	1,277
Foreign tax:		
current tax on income for the year	1,088	688
adjustments in respect of prior years	-	98
	1,088	786
Current tax charge	2,107	2,063
Deferred tax:		
timing differences - origination and reversal	276	448
adjustments in respect of prior years	-	(107)
Deferred tax charge	276	341
Tax on profit	2,383	2,404

(b) Tax charge included in Other comprehensive expense

	2025	2024
	£'000	£'000
Deferred tax:		
timing differences - origination and reversal (note 20)	348	116
Tax charge included in Other comprehensive expense	348	116

The deferred tax 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 2025

9 Tax on profit *(continued)*

(c) Reconciliation of tax charge

The total tax charge for the year is higher (2024: higher) than the applicable rate of corporation tax in the UK of 25% (2024: 25%).

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

	2025	2024
	£'000	£'000
Profit before taxation	9,617	8,397
Tax charge on profit before taxation of 25% (2024: 25%)	2,404	2,099
Expenses not deductible for tax purposes	283	108
Research and development enhanced allowances	(38)	(70)
Pension contributions in excess of charge	(807)	(778)
Depreciation less than capital allowances	(244)	(143)
Movement in short-term timing differences	257	193
Differences in UK income tax and overseas tax rates	486	829
Adjustments in respect of prior years	8	98
Deferred tax on share schemes	19	148
Other	15	(80)
Tax charge for the year	2,383	2,404

(d) Tax rate changes

There has been no change to corporation tax rates for the year ended 31 December 2025. For the year ended 31 December 2025, the weighted average tax rate is 25% (2024: 25%)

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

10 Dividends per share

	2025	2024
	£'000	£'000
Final dividend for prior year of 10p per share (2024: 7.0p)	1,580	1,114
Interim dividend for current year of 6.0p per share (2024: Interim dividends 6.0p)	947	950
Total dividends paid	2,527	2,064

A final dividend of 10p (2024: 10.0p per share) per share for the year ended 31 December 2025 will be proposed at the Annual General Meeting in June 2026. 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 £1,573k (2024: £1,590k). Dividends payable on shares held by the Employee Benefit Trust have been waived.

11 Earnings per share

	2025	2024
	£'000	£'000
Profit for the financial year attributable to owners of the parent	7,234	5,993

	2025	2024
	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	(772,300)	(649,186)
Basic weighted average number of shares in issue	15,801,631	15,924,745
Dilutive effect of share option schemes	35,425	38,345
Diluted weighted average number of shares	15,837,056	15,963,090

Earnings per share

Basic	45.8p	37.6p
Diluted	45.7p	37.5p

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 2025

12 Intangible assets

The Group

	Franchise £'000	Goodwill £'000	Computer Software £'000	Total £'000
Cost				
At 1 January 2025	141	5,926	2,505	8,572
Additions	-	-	244	244
Currency translation differences	-	105	24	129
At 31 December 2025	141	6,031	2,773	8,945
Accumulated amortisation				
At 1 January 2025	141	4,056	1,907	6,104
Currency translation differences	-	49	8	57
Charge for the year	-	186	230	416
At 31 December 2025	141	4,291	2,145	6,577
Net book value				
At 31 December 2025	-	1,740	628	2,368
At 31 December 2024	-	1,870	598	2,468

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

Company

The Company does not hold any intangible assets (2024: none).

13 Investment property

The Group

	Freehold Buildings £'000
At fair value	
At 1 January 2025	734
Net gain from fair value adjustments on investment property	42
Currency translation differences	44
At 31 December 2025	820
Provisions	
At 1 January 2025	-
At 31 December 2025	-
Net book value	
At 31 December 2025	820
At 31 December 2024	734

The comparable amounts determined according to the historical cost convention are cost: £244k (2024: £244k) and net book value: £129k (2024: £134k).

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

14 Tangible assets

The Group	Land and buildings			Plant equipment and vehicles	Assets under construction	Total
	Freehold	Long leasehold	Short leasehold			
	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation						
At 1 January 2025	4,709	36,598	782	50,364	1,599	94,052
Currency translation differences	438	(61)	-	712	-	1,089
Additions	49	137	-	1,976	2,078	4,240
Disposals	(716)	(32)	-	(391)	(16)	(1,155)
Transfers	26	403	-	1,332	(1,761)	-
At 31 December 2025	4,506	37,045	782	53,993	1,900	98,226
At valuation	256	4,394	-	-	-	4,650
At cost	4,250	32,651	782	53,993	1,900	93,576
At 31 December 2025	4,506	37,045	782	53,993	1,900	98,226
Accumulated depreciation						
At 1 January 2025	1,514	15,722	536	39,432	-	57,204
Currency translation differences	163	(38)	-	542	-	667
Charge for the year	107	898	10	2,481	-	3,496
Disposals	(716)	(32)	-	(279)	-	(1,027)
At 31 December 2025	1,068	16,550	546	42,176	-	60,340
Net book value						
At 31 December 2025	3,438	20,495	236	11,817	1,900	37,886
At 31 December 2024	3,195	20,876	246	10,932	1,599	36,848
Comparable amounts determined according to the historical cost convention:						
cost (at 31 December 2025)	2,901	35,316	782	53,993	-	92,992
accumulated depreciation	(1,056)	(16,304)	(547)	(42,083)	-	(59,990)
Net book value						
At 31 December 2025	1,845	19,012	235	11,910	-	33,002
At 31 December 2024	1,602	19,394	245	11,025	-	32,266

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 2025

14 Tangible assets *(continued)*

The Company	Land and buildings		Assets under construction	Total
	Freehold	Long leasehold		
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 January 2025	1,095	36,266	401	37,762
Additions	-	-	168	168
Transfers	-	404	(404)	-
At 31 December 2025	1,095	36,670	165	37,930
At valuation	256	4,394	-	4,650
At cost	839	32,276	165	33,280
At 31 December 2025	1,095	36,670	165	37,930
Accumulated depreciation				
At 1 January 2025	415	15,602	-	16,017
Charge for the year	16	768	-	784
At 31 December 2025	431	16,370	-	16,801
Net book value				
At 31 December 2025	664	20,300	165	21,129
At 31 December 2024	680	20,664	401	21,745
Comparable amounts determined according to the historical cost convention:				
cost (at 31 December 2025)	969	34,965	-	35,934
accumulated depreciation	(390)	(15,352)	-	(15,742)
Net book value				
At 31 December 2025	579	19,613	-	20,192
At 31 December 2024	595	19,977	-	20,572

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

15 Investments

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Cost				
At 1 January	-	-	13,280	13,357
Capital reduction arising from share-based payment credit	-	-	(206)	(77)
At 31 December	-	-	13,074	13,280

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 2025 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
Lerkärlet 4 AB **	c/o Altro Nordic AB, Flintyvegatan 4; 21376, Malmö, Sweden	Ordinary	100	Holding Company
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 Industry and Trade (Shanghai) Company Limited *	Room 101, 1/F, Building No. 5, No. 468, Xinlai Road, Jiading District, Shanghai, P.R. China	-	100	Distribution
Altro Japan K.K.	Arca Central 14F, 1-2-1, Kinshi, Sumida-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	Ordinary	100	Distribution

* On 17 June 2025, Altro Trading (Shanghai) Company Limited changed its name to Altro Industry and Trade (Shanghai) Company Limited.

** Company incorporated on 10 December 2025.

*** Company liquidated on 9 March 2026.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

15 Investments *(continued)*

Dormant entities

All the subsidiaries in table on the previous page 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.

The following companies, all registered at the same address as Altro Group Limited, 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

	2025	2024
	£'000	£'000
Raw materials and consumables	6,845	7,558
Work in progress	1,351	1,284
Finished goods and goods held for resale	26,917	24,221
	35,113	33,063

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

Inventories are stated after provisions for impairment of £7,764k (2024: £7,411k).

Company

The Company has no inventories at 31 December 2025 (2024: nil).

17 Debtors: amounts falling due after more than one year

	Group	Group	Company	Company
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Deferred tax asset (note 20)	-	-	883	719

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

18 Debtors: amounts falling due within one year

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Trade debtors	20,388	19,496	-	-
Amounts owed by group undertakings	-	-	1,866	1,528
Other debtors	1,426	859	-	-
Corporation tax	869	564	-	-
Prepayments and accrued income	3,515	3,459	-	-
	26,198	24,378	1,866	1,528

Trade debtors and other debtors are stated after provisions for impairment of £389k (2024: £456k).

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 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Bank overdrafts (See note 8)	3,752	4,111	2,839	2,897
Bank and term loans (See note 8)	792	763	-	-
Trade creditors	8,902	6,772	-	-
Corporation tax	-	221	-	-
Other taxation and social security	2,462	2,249	-	-
Other creditors	1,234	1,754	-	-
Accruals and deferred income	8,630	9,384	220	190
	25,772	25,254	3,059	3,087

20 Provisions for liabilities

The Group

	Deferred tax £'000	Other £'000	Total £'000
At 1 January 2025	412	671	1,083
Charged to Consolidated profit and loss account	276	443	719
Charged to Other comprehensive income	348	-	348
Utilised in the year	-	(32)	(32)
Released in the year	-	(240)	(240)
Currency translation movements	44	(12)	32
At 31 December 2025	1,080	830	1,910

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 2025

20 Provisions for liabilities *(continued)*

The Company

	Deferred tax £'000
At 1 January 2025	(719)
Credited to Profit and loss account	(164)
At 31 December 2025	(883)

Deferred tax

The provision for deferred tax consists of the following:

	Group 2025 £'000	Group 2024 £'000	Company 2025 £'000	Company 2024 £'000
Accelerated capital allowances	258	21	(883)	(719)
Other short-term timing differences	(561)	(534)	-	-
Defined Benefit Pension Scheme	2,039	1,585	-	-
Overseas deferred tax	(656)	(660)	-	-
Deferred tax liability / (asset)	1,080	412	(883)	(719)

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	2025		2024	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases expiring:				
within one year	2,198	953	1,997	775
between one and five years	3,118	1,235	5,220	1,166
after five years	2,716	46	2,719	-
	8,032	2,234	9,936	1,941

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

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

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 2025 by a qualified independent actuary and showed a surplus at that date of £8,157k (2024: £6,338k) 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 reduced the DB Scheme funding deficit through an agreed contribution of £2,800k in 2025 (2024: £2,800k).

In light of the improved funding position the Trustees and Group have agreed to cease contributions from April 2026. This decision was made after the balance sheet date.

(i) Pension asset

The pension asset at 31 December was as follows:

	2025	2024
	£'000	£'000
Fair value of DB Scheme assets	91,929	90,748
Present value of DB Scheme liabilities	(83,772)	(84,410)
Group pension asset	8,157	6,338

The present value of unfunded DB Scheme liabilities is nil (2024: nil). The irrecoverable surplus in the DB Scheme is nil (2024: nil).

(ii) Analysis of assets and expected rates of return

The fair value of plan assets at 31 December were:

	2025	2024
	£'000	£'000
Debt instruments	90,447	88,512
Cash	1,482	2,236
Fair value of DB Scheme assets	91,929	90,748

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 2025

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:

	2025	2024
	%	%
Rate of increase in pensions in payment (post 2006)	1.9	2.0
Rate of increase in pensions in payment (post 1997, pre 2006)	3.6	3.7
Rate of increase in pensions in payment (pre 1997)	3.0	3.0
Discount rate	5.6	5.5
RPI Inflation	2.8	3.1
CPI Inflation	2.5	2.8

The assumed life expectancies on retirement at age 65 were:

		2025	2024
		Years	Years
Retiring today	males	21.7	21.4
	females	24.0	23.9
Retiring in 20 years' time	males	23.0	22.6
	females	25.4	25.3

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

	2025	2024
	£'000	£'000
Fair value of DB Scheme assets at 1 January	90,748	100,750
Interest income on DB Scheme assets	4,944	4,511
Actuarial loss	(2,065)	(13,513)
Contributions by employer	2,800	2,800
Benefits paid	(4,498)	(3,800)
Fair value of DB Scheme assets at 31 December	91,929	90,748

Notes to the Consolidated Financial Statements *(continued)* for the year ended 31 December 2025

22 Retirement benefits *(continued)*

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

(v) Changes in present value of DB Scheme liabilities

	2025	2024
	£'000	£'000
Present value of DB Scheme liabilities at 1 January	84,410	95,187
Interest cost	4,519	4,199
Remeasurement gain	(659)	(11,176)
Benefits paid	(4,498)	(3,800)
Present value of DB Scheme liabilities at 31 December	83,772	84,410

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

	2025	2024
	£'000	£'000
Administration expenses	658	483
Total operating charge	658	483
Interest income on DB Scheme net asset	(426)	(313)
Total finance income (note 8)	(426)	(313)

(vii) Amounts recognised in Other comprehensive expense

	2025	2024
	£'000	£'000
Actual return on DB Scheme assets less interest income	(2,065)	(13,513)
Remeasurement gain DB Scheme liabilities	659	11,176
	(1,406)	(2,337)

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.

In June 2025, the Government announced its intention to introduce legislation to give pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. In September 2025, draft legislation has been put forward in Government amendments to the Pension Schemes Bill, but this is still subject to change and the Bill will not be enacted until at least spring 2026.

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 2025. 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 £2,044k (2024: £1,921k). There were no accrued contributions at the year end (2024: none) at the year end. Contributions of £47k (2024: £233k) were prepaid at the year end.

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

23 Financial instruments

Group

The Group has the following financial instruments:

	2025	2024
	£'000	£'000
Financial assets at fair value through profit or loss		
Foreign exchange forward contracts	45	-
Financial assets that are debt instruments measured at amortised cost		
- Trade debtors	20,388	19,496
- Other debtors	1,381	859
	21,769	20,355
Financial liabilities at fair value through profit or loss		
Foreign exchange forward contracts	-	207
Financial liabilities measured at amortised cost		
- Trade creditors	8,902	6,772
- Accruals	8,630	9,384
- Other creditors	1,234	1,547
- Bank overdrafts and other borrowings	3,752	4,111
- Term loans	1,200	1,519
	23,718	23,333

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 2025, the outstanding contracts all mature within 12 months (2024: 12 months) of the year end. The Group committed to sell AUD\$2,000k, CAD\$3,500k, SEKnil and US\$11,000k for fixed sterling amounts (2024: AUD\$1,000k, CAD\$3,000k, SEK7,000k 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 £45k asset (2024: £207k liability). This balance is included within the Other Debtors (note 18) (2024: Other Creditors (note 19)). The profit on forward foreign currency contracts charged to the profit and loss account in the year was £250k (2024: £261k loss).

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

24 Share-based payment

During the year ended 31 December 2025, 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 can grant options over shares in Altro Group Limited to qualifying Group employees. 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 is one participant remaining in the 2007 CSOP at the balance sheet date (2024: three), and one in the 2018 CSOP (2024: one). As appropriate, the board of Altro Group Limited 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 can grant options over notional shares in Altro Group Limited to qualifying Group employees. 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 (2024: none) and five participants in the Phantom Plan 2018 at the balance sheet date (2024: five). As appropriate, the board of Altro Group Limited 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.

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 432 participating employees at the balance sheet date (2024: 460). There was no award in 2025 and the Board have confirmed there will be no award in 2026. 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:

	2025	2024
	£'000	£'000
Expense / (Income) arising from share-based payment arrangements	244	(77)

A reconciliation of option and SIP movements over the year to 31 December 2025 is shown on page 52. 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 2025

24 Share-based payment *(continued)*

	2025		2024	
	Number of options	Weighted average exercise price pence	Number of options	Weighted average exercise price pence
Outstanding at 1 January	876,647	588	841,947	582
Granted during the year	122,819	465	146,632	664
Exercised during the year	(27,751)	-	(49,687)	-
Cancelled during the year	(10,506)	571	-	-
Expired during the year	(68,178)	623	(62,245)	669
Outstanding at 31 December	893,031	459	876,647	588
Exercisable at 31 December	440,784	643	441,256	639

During the year none of the directors exercised share options (2024: 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:	2025	2024
Risk-free interest rate	3.4% - 4.6%	3.4% - 4.6%
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
		2025	2024		
CSOP	Equity	-	10,506	571	10.04.2018 and 10.04.2025
		3,562	3,562	842	29.09.2019 and 28.09.2026
		4,518	4,518	664	26.09.2027 and 25.09.2034
		8,080	18,586		
Phantom	Cash	-	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	96,632	664	05.09.2027 and 04.09.2031
		122,819	-	465	05.02.2028 and 04.02.2032
Total Phantom	571,050	516,409			
Share Incentive Plan	Equity	313,901	341,652		
Total Share Incentive Plan		313,901	341,652		
Total share options outstanding		893,031	876,647		

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

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.

	At 31 December 2025	At 31 December 2024
Number of shares in the Company owned by the EBT	836,193	750,958
Nominal value of shares held	£83,619	£75,096
Cost price of shares held	£5,160,153	£4,772,107
Prevailing valuation of the shares (pence)	421	465
Total market value of shares	£3,520,373	£3,491,955
Maximum number of shares in the Company owned by the EBT during the year	836,193	750,958
Minimum number of shares in the Company owned by the EBT during the year	750,958	609,721

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. 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 2025

26 Called up share capital and other reserves

Called up, allotted and fully paid share capital

	2025	2024
	£'000	£'000
Called up, allotted and fully paid:		
16,573,931 ordinary shares of 10p each (2024: 16,573,931 ordinary shares of 10p each)	1,657	1,657

Movements in share capital in the year

	2025	2024
	Number	Number
	of shares	of shares
At 1 January	16,573,931	16,573,931
Shares issued	-	-
Own shares purchased	-	-
At 31 December	16,573,931	16,573,931

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 (2024: zero) options were exercised to acquire ordinary shares. Zero (2024: 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 (2024: none) of its own shares. The nominal value of the shares was £nil (2024: £nil) and the amount paid was £nil (2024: £nil).

Shareholder analysis

Shares	2025			2024		
	Number	(millions)	%	Number	(millions)	%
Directors and their families	19	10.5	63	17	10.5	63
Employees, ex-employees and their families	541	4.6	28	527	4.6	28
The Share Incentive Plan and the EBT	2	1.1	7	2	1.1	7
Other	19	0.4	2	20	0.4	2
	581	16.6	100	566	16.6	100

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 2025

27 Notes to the consolidated statement of cash flows

	2025 £'000	2024 £'000
Profit for the financial year	7,234	5,993
Adjustments for:		
Tax on profit	2,383	2,404
Net interest income	(354)	(295)
Operating profit	9,263	8,102
Amortisation of intangible assets	416	352
Depreciation of tangible assets	3,496	3,098
Loss on disposal of tangible assets	127	26
Post employment benefits less payments	(2,800)	(2,800)
Share based payment charge / (credit)	244	(77)
Currency translation differences and other non-cash movements	(376)	(40)
Increase in net provisions	157	192
Working capital movements:		
- (Increase) / decrease in inventories	(2,601)	1,213
- Increase in debtors and prepayments	(1,859)	(620)
- Increase in payables	1,280	846
Net cash inflow from operating activities	7,347	10,292

	At 1 January 2025 £'000	Cash flows £'000	Non-cash changes £'000	At 31 December 2025 £'000
Analysis of changes in net debt				
Cash at bank and in hand	18,540	(3,447)	115	15,208
Bank overdrafts	(4,111)	432	(73)	(3,752)
Cash and cash equivalents	14,429	(3,015)	42	11,456
Bank and term loans (note 8, note 19)	(1,519)	257	62	(1,200)
Balance as at 31 December 2025	12,910	(2,758)	104	10,256

Non-cash changes represent foreign exchange translation adjustments.

Bank and term loans represented by:	£'000
Creditors: amounts falling due within one year	792
Creditors: amounts falling due after more than one year	408
Balance as at 31 December 2025	1,200

Notes to the Consolidated Financial Statements *(continued)*

for the year ended 31 December 2025

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.

For cashflow disclosure purposes the amounts are disclosed as follows:

	£'000
Cash consideration	2,133
Directly attributable costs	184
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Add back:	
Cash and cash equivalents acquired	450
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Net cash outflow	2,767

Contingent consideration of AUD\$475k was paid on 30 May 2025. Additional contingent consideration of AUD\$475k is payable on 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.

29 Capital commitments

Group	2025	2024
	£'000	£'000
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Contracted but not provided for	1,704	1,979

Company

The Company has capital commitments of £7k at 31 December 2025 (2024: £6k).

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, a company registered in England and Wales. For the year ended 31 December 2025, Altro Group Limited is the parent undertaking of the largest and smallest group of undertakings whose results are consolidated in these financial statements at 31 December 2025.

Five year financial summary (unaudited)

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

The Group

	2025	2024	2023	2022	2021
	£'000	£'000	£'000	£'000	£'000
Balance sheet					
Fixed assets	41,074	40,050	38,470	39,078	39,752
Current assets	84,676	82,319	80,114	88,748	96,352
Total assets	125,750	122,369	118,584	127,826	136,104
Ordinary shareholders' funds	97,660	95,276	95,336	101,800	109,800
Other creditors	28,090	27,093	23,248	26,026	26,304
Total funds employed	125,750	122,369	118,584	127,826	136,104
Turnover and profits					
Turnover	183,693	174,633	173,536	161,804	146,262
Operating profit / (loss)	9,263	8,102	7,972	(420)	7,978
Profit / (loss) for the financial year	7,234	5,993	6,974	(657)	6,955
Ordinary dividends	2,527	2,064	1,436	1,504	3,023
	Pence	Pence	Pence	Pence	Pence
Basic earnings per share	45.8p	37.6p	43.6	(4.1)	43.7
Diluted earnings per share	45.7p	37.5p	43.6	(4.1)	43.7
Dividends per share	16.0	13.0	9.0	9.5	19.0
Net assets per share	589.2	574.9	575.2	614.2	662.5
Gearing ratio %	1.2	1.6	1.4	0.0	0.0
Average number of employees	887	867	870	830	801

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

